

**PUBLIC SESSION AGENDA
NORTH CAROLINA STATE BOARD OF CPA EXAMINERS
MARCH 18, 2015
1:00 P.M.
1101 OBERLIN ROAD
RALEIGH, NC**

I. Administrative Items

A. Call to Order

In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. Does any Board member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.

1. Rule-Making Hearing

B. Welcome and Introduction of Guests

C. Approval of Agenda

D. Minutes

E. Financial/Budgetary Items

1. Financial Statements for February 2015

F. Elections of Officers for 2015-2016

II. Legislative & Rule-Making Items

A. Legislation Regarding CPAs, NCGS 55B, and New Licensing Board (FYI)

III. National Organization Items

A. US Supreme Court Ruling on the NC Board of Dental Examiners

IV. State & Local Organization Items

V. Request for Declaratory Ruling

VI. Committee Reports

A. Professional Standards

B. Professional Education and Applications

VII. Public Comments

VIII. Closed Session

IX. Executive Staff and Legal Counsel Report

X. Adjournment

**RULE-MAKING HEARING AGENDA
NORTH CAROLINA STATE BOARD OF CPA EXAMINERS
MARCH 18, 2015
1:00 P.M.
1101 OBERLIN ROAD
RALEIGH, NC**

- I. Administrative Items**
 - A. Call to Order**
- II. Hearing Testimony**
- III. Written Testimony**
- IV. Adjournment**

21 NCAC 08G .0409 is proposed to be amended as follows:

21 NCAC 08G .0409 COMPUTATION OF CPE CREDITS

(a) Group Courses: Non-College. CPE credit for a group course that is not part of a college curriculum shall be given based on contact hours. A contact hour shall be 50 minutes of ~~instruction. One-half credit instruction and one-half contact hour~~ shall be equal to 25 minutes of instruction. ~~after the first credit hour has been earned in a formal learning activity.~~ For example, a group course lasting 100 minutes shall be two contact hours equaling two CPE credits. A group course lasting 75 minutes shall be one and one-half contact hours equaling one and one-half CPE credits. A group course lasting 25 minutes shall be one-half contact hour and equal to one-half CPE credit. When individual segments of a group course are less than 50 minutes, the sum of the individual segments shall be added to determine the number of contact hours. For example, five 30-minute presentations shall be 150 minutes, which shall be three contact hours and three CPE credits. No credit shall be allowed for a segment unless the participant completes the entire segment. Internet based programs shall employ a monitoring mechanism to verify that participants are participating during the duration of the course. No credit shall be allowed for a group course having fewer than 25 minutes of course instruction.

(b) Completing a College Course. CPE credit for completing a college course in the college curriculum shall be granted based on the number of credit hours the college gives the CPA for completing the course. One semester hour of college credit shall be 15 CPE credits; one quarter hour of college credit shall be 10 CPE credits; and one continuing education unit shall be 10 CPE credits. No CPE credit shall be given to a CPA who audits a college course.

(c) Self Study. CPE credit for a self-study course shall be given based on the average number of contact hours needed to complete the course. The average completion time shall be allowed for CPE credit. A sponsor ~~must~~ shall determine on the basis of pre-tests or NASBA word count formula the average number of contact hours of course material it takes to complete a course. A contact hour shall be 50 minutes and one-half contact hour shall be 25 minutes of course material. No self-study course may contain fewer than 25 minutes of course material.

(d) Instructing a CPE Course. CPE credit for teaching or presenting a CPE course for CPAs shall be given based on the number of contact hours spent in preparing and presenting the course. No more than 50 percent of the CPE credits required for a year shall be credits for preparing for and presenting CPE courses. CPE credit for preparing or presenting a course shall be allowed only once a year for a course presented more than once in the same year by the same CPA.

(e) Authoring a Publication. CPE credit for published articles and books shall be given based on the number of contact hours the CPA spent writing the article or book. No more than 25 percent of a CPA's required CPE credits for a year shall be credits for published articles or books. An article written for a CPA's client or business newsletter shall not receive CPE credit.

(f) Instructing a Graduate Level College Course. CPE credit for instructing a graduate level college course shall be given based on the number of credit hours the college gives a student for successfully completing the course, using

1 the calculation set forth in Paragraph (b) of this Rule. Credit shall not be given for instructing a course in which
2 there is credit given towards an undergraduate degree.

3 (g) No more than 50 percent of the CPE credits required for a year shall be credits claimed under Paragraph (d) and
4 (f) of this Rule.

5 *History Note: Authority G.S. 93-12(8b);*

6 *Eff. May 1, 1989;*

7 *Amended Eff. July 1, 2015; January 1, 2014; February 1, 2012; January 1, 2007; January 1,*
8 *2004; February 1, 1996; April 1, 1994; March 1, 1990.*

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
February 23, 2015
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Miley (Bucky) Glover, CPA, President; Michael H. Womble, CPA, Vice President; Wm. Hunter Cook, CPA, Secretary-Treasurer; Tawannah G. Allen, Ed.D; Murchison (Bo) Biggs, CPA; George W. Rohe, CPA; and Jeffrey J. Truitt, Esq. (via telephone).

STAFF ATTENDING: Robert N. Brooks, Executive Director; David R. Nance, CPA, Deputy Director; Frank Trainor, Esq., Staff Attorney; Lisa R. Hearne, Manager-Communications; Buck Winslow, Manager-Licensing; Jean Marie Small, Specialist-Professional Standards; Kaitlyn White, Intern; Matthew Fearnow, Intern; and Noel L. Allen, Legal Counsel.

GUESTS: Sharon Bryson, COO, NCACPA; Jared Plummer, CPA, NCACPA; Curt Lee, Legislative Liaison, NCSA; Suzanne Jolicoeur, Senior Manager, State Regulation & Legislation, AICPA; and Officer K.C. Min, Raleigh Police Department.

CALL TO ORDER: President Glover called the meeting to order at 10:03 a.m.

MINUTES: The minutes of the January 26, 2015, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The January 2015 financial statements were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: Mr. Brooks reminded the Board members of the March 18, 2015, rule-making hearing at 1:00 p.m.

NATIONAL ORGANIZATION ITEMS: Mr. Allen discussed the *amicus curiae* brief prepared for the National Association of State Boards of Accountancy (NASBA) in support of discretionary review of *CommScope Credit Union v Butler & Burke, LLP*, by the Supreme Court of North Carolina.

STATE AND LOCAL ORGANIZATION ITEMS: Messrs. Brooks and Trainor provided the Board members with copies of documents filed by Belinda Johnson with the Office of Administrative Hearings (OAH) requesting a hearing by Ms. Johnson with the Board before the OAH.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Cook moved and the Board approved the following recommendations of the Committee:

Case No. C2014161 - James E. O'Connor - Approve the signed Consent Order (Appendix I).

Case No. C2014200 - Kim W. Ward - Approve the signed Consent Order (Appendix II).

Case No. C2014385 - James R. Landacre - Approve the signed Notice of Apparent Violation and Agreement to Cease and Desist (Appendix III).

Case No. C2014399 - Margaret Boose Norris - Approve the signed Notice of Apparent Violation and Agreement to Cease and Desist (Appendix IV).

Case No. UT2014318 - Joey L. Kirkman - Approve the signed Notice of Apparent Violation and Agreement to Cease and Desist (Appendix V).

Case No. C2013162 and Case No. C2013184 - Debra Hill Bedford - Approve a Notice of Hearing for May 21, 2015, at 10:00 a.m.

Case No. C2014083 - Close the case without prejudice and with a Letter of Warning.

Case No. C2013187 - Close the case without prejudice.

Case No. C2014320 - Close the case without prejudice.

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Dr. Allen moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The Committee recommended that the Board approve the following:

Matthew Robert Lyons

Amanda Arianne Polasik

Original Certificate Applications - The Committee recommended that the Board approve the following:

Cassie Hedgepeth Allman

Caroline Cox Andrews

Steven Nelson Baker

Jana Nicole Ballard

Joshua Adam Brown

Christina Morgan Burnett

Melissa Colleen Castrey

Huan Chen

Rachael Parnell Constable

Charlene Cook Controne

Koren Sickles Cranford

Evan Andrew Crim

Ian Alexander Frank Edmonds

Brittany Jo Eronson

DeAnna Lynn Ford

Chelsea Rebecca France

Rachel Ann Gable

Adam Daniel Gattoni

Jessica Lena Gregory

Robert James Hager

Corey Daniel Hawley

Benfield Gordon Hicks

Farabee Hussain

Patricia Joanne Jordan

Kayla Beth Kreigsman

Alexander Nicholas Lamm

Seth Elliot Larson
Dandan Laubacker
Matthew Robert Lyons
Amy Rebecca Marquit
Christopher Hugh Massey
Erik Michael Mate
Joshua Andrew Morgan
Marc Anthony Morris
Carver Anne Morrow
Jeremy Wilkes Musgrave
Megan Leigh Naylor
Michael Bryan Neve
Renee Gail Neyman
Daniel Gregory Oliver
Anna Keener Olson
Joslin Rene Owens
Carla Brooke Parker
Wendy Lynn Pendergraph

Amanda Pindar
Amanda Arianne Polasik
Kaitlin Ashley Postle
Robert Clay Prim, V
Carson Gray Sasser
William Walker Scotten
Rebecca Lynn Seifel
Jinal B. Shah
Richard Dean Siler
Garry Tyler Spence
Kristin Payne Stroud
Steven Hatfield Stull
Hilary Jordan Taylor
Caitlin Lucy Townsend
John Wesley Umstead, V
Meredith Blaine Vogt
John Talmadge Willis
Herbert Smith Wilmer, Jr.

Staff reviewed and recommended approval of the original application submitted by Matthew Stephenson McLean. Mr. McLean failed to disclose pertinent information with his exam application but provided it with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Staff reviewed and recommended approval of the original application submitted by Michael Byrd Parisi. Mr. Parisi failed to disclose pertinent information with his exam application but provided it with his certificate application. Staff recommended approval of the application with a one-year probationary period. The Committee recommended that the Board approve staff recommendation.

Reciprocal Certificate Applications - The Committee recommended that the Board approve the following:

Sarah Simpson Diebold
Abdirisak Farah Dirie
Amir Albir Eskarous
George Duncan Fraser, Jr.
Kimberlee Sue Harmon
Michael Robert Jacobs
Ryan Robert Koppe
Joseph Bart Labenson

Jeffrey Scott McDonald
Oscar Arnulfo Perla
Bryan Noelting Quisenberry
Lyndsay Hoch Renaud
Phyllis Louise Reynolds
William James Volker
Alesia Nicole Walker
James Allen Young, Jr.

Temporary Permits - The Committee recommended that the Board approve the following temporary permits that were approved by the Executive Director:

Joan E. Jones, #T8313
Brandy Marie Tunningley, #T8314
Bradley Jay Veltkamp, #T8315
Jynelle Shauntae Crutch, #T8316
Michael Samuel Galub, #T8317
Samuel LaMar DuBose, IV, #T8318
Corey Michael Ficke, #T8319
Elizabeth Michelle Hickey, #T8320
Mariana Picchioni Thielen, #T8321
Carol Ann Ward, #T8322
Jennifer Lynn Fagan, #T8323

Dorina Jai Harris, #T8324
Carleigh Michelle Moore, #T8325
David Keith Hatten, #T8326
Jennifer Kristen Primrose, #T8327
Avril Ruth Tanner, #T8328
Julia Anne Yochum, #T8329
Charles Rankin Bliss, Jr., T8330
Sandhya Rani Haritha Penmatcha, #T8382
Stacey L. Winkelspecht, #T8383

Reinstatements - The Committee recommended that the Board approve the following:

James Christopher Brewington, #24774
Marilyn Mitchell Friddle, #16591
Naseem K. Garcia, #32074
Erin Elizabeth May Hartman, #26934
Angela M. Hudson, #25908

Christine Millaway, #25772
Jennifer Kerr Stevens, #20184
Katherine Meisky Turner, #29844
Amy Rydzy West, #33374

Reissuance of New Certificate - The Committee recommended that the Board approve the following applications for reissuance of new certificate:

Joseph Herndon Clarke, III, #33214

Robert Frederick Weidaw, #31149

Extension Requests - The Committee recommended that the Board approve the following individuals for extension for completion of CPE until the dates noted:

Thomas R. Allen, Jr., #12595 - 6/30/15

John C. Callaghan, #7105, - 6/30/15

Letter of Warning - Staff has reviewed and recommended approval of the request to rescind the Letter of Warning awarded to Henry Luther Greene, III, #18544. The Committee recommended that the Board approve staff recommendation.

Examinations -The Committee recommended that the Board approve the following staff-approved applicants to sit for the Uniform CPA Examination:

Mohamed Nour Ahmed
Elizabeth Adams
Rehan Ali

Omar Alsaiddi
Carlos Alvarado Rosario
Severino Alvarez

Daniel Ambrose
Amber Anderson
Evan Andert
Kathrynne Anna
Roscoe Atkinson
Matthew Aulbert
Alicia Barbour
Mohammad Basit
Emily Batchelor
Timothy Baynes
Andrew Beamon
Brenda Bean
Mayra Beltran
James Benz
Christopher Berube
William Biney
Tiffany Birdsong
Brandon Bishopp
Leona Bostic
Jackelyn Branco
Andrea Bridges
Joshua Bryant
Loretta Burleson
Zachary Burns
Renee Bursley
Benjamin Burton
Na-im Butler
Veronica Butler
Steven Caponi
Rosario Chinchay
Robert Cochrane
Aikaterini Coker
William Collum
Margaret Correll
Bryce Creedon
Raven Cross
Sharon Cullipher
Emmanuel Darko
Larisa Demling
Marie Dominique
Lauren Donadio
Zebulon Downing
Megan Early

Susan Eisenhardt
James Evans
Andy Ferrell
Katlyn Foster
Matthew Frawley
Denice Frette
Rene Gamez Correa
Ryan Garner
Kayla Grant
Taylor Gray
Kyle Grella
Caleb Grim
Rebecca Gurganus
Monica Gutierrez
Suzanne Hahn
Benjamin Harrington-Smith
Ashley Hawkins
Jordan Heath
Caroline Henry
Parker Hodges
Tameka Holmes
Emily Holt
Andrew Hood
Sarah Hope
Donna Horne
Michael House
Brendan Hoyer
QingLing Huang
Robert Jackson
Shannon Jewett
Symone Johnson
Matthew Jones
Anson Killiany
Ruth Kinyua
Sarah Kleckner
Elizabeth Kramer
Jacquelyn Kremer
Stephen Krouse
Peter Laczynski
Lucas Landon
Cameron Landreth
Keith Lane
Camie Le

Jessica Lea
Julian Lee
Lorraine Lee
Sydney Lee
Edward Lich
Robin Link
Sonya Long
Ernest Lookabill
Travis Lowman
Theodore Luckman
Christopher Lynagh
Rachel Maddox
Sarah Mali
Talya Mallin
Kayla Marchese
Zachary Marco
Amanda Martin
India Mathis
Mark Mattingly
Brent May
Bryan McCall
Karen McCall
Jennifer McGhee
Ashley McNeely
Megan McWilliams
Daniel Michael
Ashley Middleton
Vadim Mikhaylyants
Jennifer Miller
Dale Millns
Kathleen Mishler
Donna Morris
Eliana Mundula
Rosemary Murphey
Austin Myers
Ted Nashland
Adam Nicholson
Nana Nyanor
Ashley Oliver
Jordan Orlandi
Derek Osborne
Rachel Parrish
Hamel Patel

Matthew Patterson
Tisha Perkins
Hang Plemmons
Alexander Porter
Kevin Protasewich
Theresa Rabbass
Jared Rapoport
Karen Rasmussen
Amber Roberts
Kenneth Roberts
Amber Robertson
Meridith Rosborough
Rebecca Rothrock
Ruben Rush
Matthew Ruterbories
Edwin Sasser
Katherine Schmidtke
Steven Schulz
Meghan Seifert
Jatinder Sharma
Phillip Shehdan
Erin Shepard
Raven Simon
Drew Simpson
Richard Slate
John Smith
Waylon Smith
Alec Smitherman
Erin Spencer
Sarah Spohr
Angela Spranza
Jeremy Stone
Erin Strickland
Curtis Strubinger
Jessica Sutton
Charnice Taylor
Tamara Temple
Kaying Thao
Kayla Thomas
Jamie Thornburg
Irish Thurston
Angela Turner
Vernon Utley

Nicholas Vance
Kathryn Wallace
Crystal Watson-Abbott
Bryan Weber
Jason Wellington
Hanna Wentz
Joseph Weston
Deborah Whaley
Kristin Wheeler
Laurel Whitten
Kasey Wiggins
Katherine Williams

Douglas Wilson
Jody Wilson
Samantha Wolpert
Jeffrey Wood
Jacquelyn Yellin-Mungo
Stephen Yokim
Yo Yoo
Patricia Young
Siera Young
Wenting Yu
Brian Zapf

The Committee reviewed a proposal to conduct background checks on all Exam and certificate applicants as requested by the Committee. The Committee recommended that Mr. Allen review the proposal in regard to statutory authority and current language on the applications.

ADJOURNMENT: Mr. Cook and Dr. Allen moved to adjourn the meeting at 10:39 a.m. Motion passed.

Respectfully submitted:

Attested to by:

Robert N. Brooks
Executive Director

Miley W. Glover, CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2014161

IN THE MATTER OF:

James Edward O'Connor, #13240
Respondent

CONSENT ORDER

THIS CAUSE, coming before the North Carolina State Board of CPA Examiners ("Board") at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N. C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following:

1. James Edward O'Connor (hereinafter "Respondent") is the holder of North Carolina certificate number 13240 as a Certified Public Accountant.
2. Respondent completed a tax services engagement for a client. The client failed to pay for those services. At the time the services were rendered, Respondent provided the client with a copy of his returns, including a depreciation schedule.
3. After the engagement was concluded, the client requested an additional copy of the depreciation schedule prepared by Respondent, along with other information. Respondent provided some of the information requested but did not at that time provide the depreciation schedule, which the client asserted had never been received from Respondent. At this time, Respondent requested payment which had not been received from the client for services rendered.
4. Respondent did not hear from the client for a period of time until receiving a telephone call demanding that he produce the depreciation schedule within 48 hours, or the client would report Respondent to this Board. During that call, Respondent did not have the opportunity to request payment from the client for the sole purpose of providing the requested document. Respondent did not immediately provide the depreciation schedule, and the client filed a complaint with the Board. Respondent ultimately provided a copy of the depreciation schedule to the client.
5. Per 21 NCAC 08N .0305(a), "A CPA must return client records in his or her possession to the client after a demand is made for their return."
6. Per 21 NCAC 08N .0305(d), "A CPA shall not retain a client's records in order to force payment of any kind."
7. Per 21 NCAC 08N .0305(g), a CPA can require payment of a reasonable copy fee prior to providing a second copy of a record to a client.

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8. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board Meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's failure to promptly provide the client with a copy of the client's depreciation schedule is a violation of 21 NCAC .0305.
3. Per N.C. Gen. Stat. § 93-12(9), and also by virtue of Respondent's consent to this order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Order:

1. Respondent is censured.
2. Respondent shall remit, with this signed Order, a one thousand dollar (\$1,000) civil monetary penalty.

CONSENTED TO THIS THE 30 DAY OF January, 2015.
(Day) (Month) (Year)

Respondent

APPROVED BY THE BOARD THIS THE 23 DAY OF FEBRUARY,
(Day) (Month)
2015.
(Year)

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY:

Miley W. Jones
President

NC BOARD OF

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CPA EXAMINERS

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: C2014200

IN THE MATTER OF:
Kim M. Ward, #29681
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to N.C. Gen. Stat. § 150B-41, the Board and Respondent stipulate to the following Findings:

1. Respondent is the holder of North Carolina certificate number 29681 as a Certified Public Accountant.
2. Respondent informed the Board on her 2013-2014 individual certificate Renewal ("Renewal") that between January 1, 2012, and June 30, 2013, she had obtained the requisite 40 hours of continuing professional education ("CPE") to meet the 2012 CPE requirements.
3. Based on Respondent's representation, the Board accepted her Renewal.
4. Board staff requested that Respondent provide certificates of completion for the CPE reported to meet her 2012 and 2013 requirements.
5. Respondent provided the CPE certificates of completion to the Board as requested. Respondent was only able to provide documentation for thirty-five and one-half (35.5) hours of continuing professional education ("CPE") taken to meet the 2012 CPE requirement.
6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Consent Order with the Board *ex parte*, whether or not the Board accepts this Consent Order as written. Respondent understands and agrees that this Consent Order is subject to review and approval by the Board and is not effective until approved by the Board at a duly constituted Board meeting.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes and Title 21, Chapter 08 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted herein by the Board.
2. Respondent's actions as set out above constitute violations of 21 NCAC 08N .0202(a), .0202(b)(3), and .0202(b)(4).
3. Per N.C. Gen. Stat. § 93-12(9) and also by virtue of Respondent's consent to this Order, Respondent is subject to the discipline set forth below.

BASED on the foregoing and in lieu of further proceedings, the Board and Respondent agree to the following Consent Order:

1. Respondent's failure to provide adequate documentation of CPE renders the Renewal insufficient and untimely. Respondent's failure to adequately renew her certificate results in an automatic forfeiture pursuant to N.C. Gen. Stat. § 93-12(15).
2. Respondent must return her certificate to the Board within fifteen (15) days of Respondent's receipt of the Board's notification of its approval of this Consent Order.
3. Respondent may apply for the reissuance of her certificate after one (1) year from the date the Board approves this Consent Order and if Respondent's certificate and the civil penalty required in number five (5) of this Order have been timely received by the Board.
4. Respondent may apply to return her certificate to active status by submission and approval of a reissuance application which includes:
 - a. Application form,
 - b. Payment of the application fee,
 - c. Three (3) moral character affidavits, and
 - d. Forty-four and one-half (44.5) hours of CPE in the twelve (12) months preceding the application including an eight (8) hour accountancy law course as offered by the North Carolina Association of CPAs in a group-study format.

5. Respondent shall pay a one thousand dollar (\$1,000.00) civil penalty to be remitted to the Board prior to submitting a reissuance application.
6. Respondent agrees that failure to timely comply with any terms of this agreement and Consent Order shall be deemed sufficient grounds for revocation of her certificate.

CONSENTED TO THIS THE 25th DAY OF Jan, 2015

Kim M Ward
Respondent

APPROVED BY THE BOARD THIS THE 23 DAY OF FEBRUARY, 2015

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS



BY: Miley W. Jone
President

**THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS**

IN THE MATTER OF:

James Rider Landacre

Respondent File # C2014385

NOTICE OF APPARENT VIOLATION &

AGREEMENT TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners ("Board") is authorized by N. C. Gen. Stat. § 93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act ("Act") through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to N. C. Gen. Stat. § 93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter."

WHEREAS, pursuant to N. C. Gen. Stat. § 93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under GS 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

WHEREAS, pursuant to N. C. Gen. Stat. § 93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent James Rider Landacre (hereinafter "Respondent Landacre") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but his principal place of business is in North Carolina; and

WHEREAS, Respondent Landacre, in July of 2005, was granted "inactive" status for his North Carolina CPA license. Per that application, he agreed "I certify under oath that I will not identify myself as a CPA to any person in any manner ... as long as I remain on inactive status."

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WHEREAS, Respondent Landacre, while on inactive status, identified himself to a CPA in the State of North Carolina in his Preparer Tax Identification Number registration with the Internal Revenue Service ("IRS"), thereby indicating that he prepared tax returns as a CPA in the state of North Carolina in contravention of N. C. Gen. Stat. § 93-3 and § 93-6.

THEREFORE, Respondent Landacre and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent Landacre shall immediately cease and desist from using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks DATE: 11/10/14
Robert N. Brooks
Executive Director

In lieu of civil proceedings authorized by N. C. Gen. Stat. § 93-12(16), the Board will accept Respondent's consent to this Agreement.

Consented to: James Rider Landacre DATE: 1/8/2015
BY: James Rider Landacre
North Carolina State Guilford County

Sworn to (or affirmed) and subscribed before me this day by Kimberly S. Pruitt.
[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a NC Driver's License] [a credible witness has sworn to the identity of the principals James Rider Landacre.]

Notary Seal: **KIMBERLY S. PRUITT**
NOTARY PUBLIC
GUILFORD COUNTY, NC
My Commission Expires 01-13-2018

Kimberly S. Pruitt
Notary Public Signature
Kimberly S. Pruitt
Notary Public Printed Name
January 9, 2014
Date

01-13-2018
My Commission Expires

NC BOARD OF
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CPA EXAMINERS

**THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS**

IN THE MATTER OF:

Margaret Boose Norris

Respondent File #C2014399

NOTICE OF APPARENT VIOLATION &
AGREEMENT TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners ("Board") is authorized by N. C. Gen. Stat. § 93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act ("Act") through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to N. C. Gen. Stat. § 93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter."

WHEREAS, pursuant to N. C. Gen. Stat. § 93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under GS 93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

WHEREAS, pursuant to N. C. Gen. Stat. § 93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Margaret Boose Norris (hereinafter "Respondent Norris") is not actively licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state, but her principal place of business is in North Carolina; and

WHEREAS, Respondent Norris, in June of 1993, voluntarily surrendered her CPA certificate and was granted "inactive" status.

WHEREAS, Respondent Norris, while on inactive status, identified herself to be a CPA in the State of North Carolina on the CommunityOne Bank, N.A., website and other publications, thereby indicating that she is licensed as a CPA in the state of North Carolina in contravention of N. C. Gen. Stat. § 93-3 and § 93-6.

NC BOARD OF

FEB - 9 2015

CPA EXAMINERS

THEREFORE, Respondent Norris and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent Norris shall immediately cease and desist from using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY: Robert N. Brooks DATE: 1/27/15
Robert N. Brooks
Executive Director

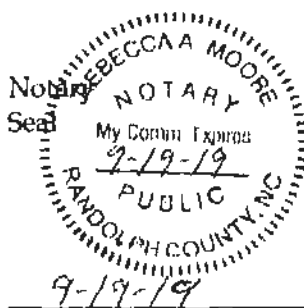
In lieu of civil proceedings authorized by N. C. Gen. Stat. § 93-12(16), the Board will accept Respondent's consent to this Agreement.

Consented to:

BY: Margaret B Norris DATE: 2-3-15
Margaret Boone Norris

NORTH CAROLINA State RANDOLPH County

Sworn to (or affirmed) and subscribed before me this day by Margaret B. Norris.
[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a Driver's License] [a credible witness has sworn to the identity of the principals Debra J. Smith].



Rebecca A. Moore
Notary Public Signature

REBECCA A. MOORE
Notary Public Printed Name

2-5-15
Date

9-19-19
My Commission Expires

NC BOARD OF
FEB - 9 2015
CPA EXAMINERS

THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS

IN THE MATTER OF:

Joey L. Kirkman

Respondent #UT2014318

NOTICE OF APPARENT VIOLATION &
AGREEMENT TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners ("Board") is authorized by N. C. Gen. Stat. § 93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act ("Act") through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to N. C. Gen. Stat. § 93-1, "A 'certified public accountant' is a person who holds a certificate as a certified public accountant issued to him under the provisions of this Chapter."

WHEREAS, pursuant to N. C. Gen. Stat. § 93-3, "It shall be unlawful for any person who has not received a certificate of qualification or not been granted a practice privilege under N.C.G.S. §93-10 admitting the person to practice as a certified public accountant to assume or use such a title, or to use any words, letters, abbreviations, symbols or other means of identification to indicate that the person using same has been admitted to practice as a certified public accountant."

WHEREAS, pursuant to N. C. Gen. Stat. § 93-6, "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice."

WHEREAS, Respondent Joey L. Kirkman (hereinafter "Respondent Kirkman") is not now nor has he ever been licensed as a certified public accountant in North Carolina or otherwise authorized by the Board to use the CPA title in this state; and

WHEREAS, JLK Tax Service is not now nor has it ever been registered as a certified public accountant firm in North Carolina or otherwise authorized by the Board to use the CPA title in this state,

WHEREAS, Respondent Kirkman, while working in North Carolina: made reference to the CPA title on the websites for JLK Tax Service and on other Internet sites; utilized the term "CPA" in the title to those websites; and referred to JLK Tax Service as a CPA firm. Respondent Kirkman's use of the title "CPA" or "Certified Public Accountant" conveys the false impression

that he holds a CPA certificate issued by the Board when, in fact, he is not lawfully authorized to use the title "certified public accountant" or "CPA" in this State. Such a representation is misleading and contrary to N. C. Gen. Stat. §§ 93-1, 93-3, and 93-6.

THEREFORE, Respondent and the North Carolina State Board of Certified Public Accountant Examiners hereby agree that Respondent shall immediately cease and desist from offering or using in any manner the title "CPA" or "Certified Public Accountant" in North Carolina unless and until licensed as a CPA by the North Carolina State Board of Certified Public Accountant Examiners.

North Carolina State Board of Certified Public Accountant Examiners

BY:

Robert N. Brooks
Executive Director

DATE:

10/08/14

In lieu of civil proceedings authorized by N. C. Gen. Stat. § 93-12(16), the Board will accept Respondent's consent to this Notice.

Consented to:

BY:

Joey L. Kirkman

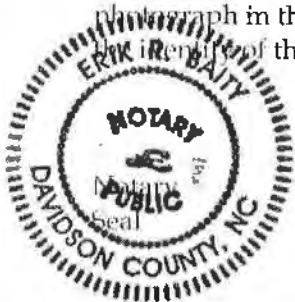
DATE:

1-26-15

North Carolina State

Forsyth County

Sworn to (or affirmed) and subscribed before me this day by Erik R. Barty.
[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a NCDL] [a credible witness has sworn to identify the principals Joey L. Kirkman]



Erik R. Barty
Notary Public Signature

Erik R. Barty
Notary Public Printed Name

1-26-15

Date

April 21, 2019
My Commission Expires

NC BOARD OF

JAN 29 2015

CPA EXAMINER

Financial Highlights
For the Eleven Month Period Ended February 28, 2015
Compared to the Eleven Month Period Ended February 28, 2014

| | Budget Var. | Feb-15 | Feb-14 | Inc. (Dec.) |
|--------------------------------------|--------------|-----------------|-----------------|-----------------|
| Total Revenue | \$85,979.76 | \$ 2,693,428.51 | \$ 2,550,249.02 | \$ 143,179.49 |
| ■ Total Operating Revenue | \$80,871.14 | \$ 2,638,937.01 | \$ 2,495,813.84 | \$ 143,123.17 |
| ❖ Total Net Non Operating Revenue | \$5,108.62 | \$ 54,491.50 | \$ 54,435.18 | \$ 56.32 |
| ○ Total Expenses | -\$55,070.65 | \$ 2,452,808.59 | \$ 2,297,322.18 | \$ 155,486.41 |
| Increase(Dec.) Net Assets for Period | | \$ 240,619.92 | \$ 252,926.84 | \$ (12,306.92) |
| Total Checking and Savings | | \$ 584,810.58 | \$ 685,533.66 | \$ (100,723.08) |
| Total Assets | | \$ 3,231,871.47 | \$ 3,012,191.73 | \$ 219,679.74 |
| | | | | |
| Full-Time/Part-time Employees | | 13/1 | 13/1 | 0/0 |

Budget:

Operating revenue was \$86,000 over budget primarily due to increased exam fee revenue.

Non-Operating revenue was \$5,100 over budget due to gift cards used for purchases.

Actual expenses were \$55,000 under budget, primarily due to fringe benefits (\$28k), reduced board travel/per diem (\$18k), and reduced staff travel (\$20k).

Actual:

- Total operating revenue increased this period compared to prior by \$143,000 primarily due to an increase in exam fee revenue (\$111k) and certificate fees (\$29k)
- ❖ Total net non-operating revenue is essentially the same as in the prior period.
- Total expenses increased this period compared to prior by \$155,000 primarily due to increased exam fee costs (\$103k), building expenses (\$11k), and legal expenses (\$13k).

NC Board of CPA Examiners
Statement of Net Position
 As of February 28, 2015

| | Feb 28, 15 | Feb 28, 14 |
|--|----------------------------|----------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| 1075 · Union - Money Market | 245,238.74 | 0.00 |
| 1074 · Trust Atlantic Bank - MMA | 144,536.69 | 487,836.61 |
| 1023 · BB&T Disciplinary Clearing Acct | 16,000.00 | 0.00 |
| 1020 · BB&T Checking Acct | 174,288.60 | 58,464.39 |
| 1021 · BB&T Savings Account | 4,588.45 | 139,132.66 |
| 1030 · BB&T Payroll Acct | 158.10 | 100.00 |
| Total Checking/Savings | 584,810.58 | 685,533.66 |
| Other Current Assets | | |
| 1110 · Accrued CD Interest | 7,614.81 | 9,298.54 |
| 1050 · CD Investments - Current | 984,492.68 | 451,514.42 |
| 1165 · Deferred Lease Commissions | 1,236.24 | 3,090.84 |
| 1126 · Accts Rec Admin Cost | 0.00 | 9,500.00 |
| 1125 · Accts Rec Civil Penalties | 1,000.00 | 3,000.00 |
| Total Other Current Assets | 994,343.73 | 476,403.80 |
| Total Current Assets | 1,579,154.31 | 1,161,937.46 |
| Fixed Assets | | |
| 1330 · Land Improvement | 9,240.90 | 9,240.90 |
| 1300 · Building | 922,543.10 | 917,143.10 |
| 1305 · Land | 300,000.00 | 300,000.00 |
| 1306 · Vehicle | 0.00 | 26,622.40 |
| 1310 · Furniture | 113,918.90 | 113,918.90 |
| 1320 · Equipment | 196,510.75 | 198,504.64 |
| 1325 · Data Base Software | 180,336.18 | 180,336.18 |
| 1390 · Accumulated Depreciation | -765,484.47 | -735,245.66 |
| Total Fixed Assets | 957,065.36 | 1,010,520.46 |
| Other Assets | | |
| 1250 · CD Investments Non-Current | 695,651.80 | 839,733.81 |
| Total Other Assets | 695,651.80 | 839,733.81 |
| TOTAL ASSETS | <u>3,231,871.47</u> | <u>3,012,191.73</u> |
| LIABILITIES & NET ASSETS | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| 2000 · Accounts Payable | 0.00 | 510.50 |
| Total Accounts Payable | 0.00 | 510.50 |

NC Board of CPA Examiners
Statement of Net Position
 As of February 28, 2015

| | Feb 28, 15 | Feb 28, 14 |
|---|----------------------------|----------------------------|
| Other Current Liabilities | | |
| 2040 · Accounts Payable Civil Penalty | 900.00 | 2,700.00 |
| 2005 · Due to Exam Vendors | 472,799.92 | 346,763.84 |
| 2011 · Accounts Payable Other | 2,500.00 | 0.00 |
| 2015 · Accrued Vacation Current | 6,444.67 | 25,435.87 |
| Total Other Current Liabilities | <u>482,644.59</u> | <u>374,899.71</u> |
| Total Current Liabilities | 482,644.59 | 375,410.21 |
| Long Term Liabilities | | |
| 2020 · Accrued Vacation | 72,148.92 | 64,207.91 |
| Total Long Term Liabilities | <u>72,148.92</u> | <u>64,207.91</u> |
| Total Liabilities | 554,793.51 | 439,618.12 |
| Net Assets | | |
| 3010 · Net Assets Invest in Cap Assets | 957,065.36 | 1,010,520.46 |
| 3020 · Designated for Capital Assets | 100,000.00 | 100,000.00 |
| 3031 · Designated-Operating Expenses | 300,000.00 | 300,000.00 |
| 3040 · Designated for Litigation | 750,000.00 | 750,000.00 |
| 3900 · Net Assets Undesignated | 329,392.68 | 159,126.31 |
| Change in Net Assets | 240,619.92 | 252,926.84 |
| Total Net Assets | <u>2,677,077.96</u> | <u>2,572,573.61</u> |
| TOTAL LIABILITIES & NET ASSETS | <u>3,231,871.47</u> | <u>3,012,191.73</u> |

03/04/15

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2014 through February 2015

| | Apr '14 - Fe... | Budget | \$ Over Bu... |
|--|---------------------|---------------------|------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Certificate Fees | | | |
| 4110 · Certificates - Initial | 56,825.00 | 55,000.00 | 1,825.00 |
| 4120 · Certificates - Reciprocal | 28,700.00 | 25,208.37 | 3,491.63 |
| 4121 · Certificates - Recip/Temp | 0.00 | 0.00 | 0.00 |
| 4130 · Certificates - Temporary | 0.00 | 0.00 | 0.00 |
| 4131 · Certificates - Temp Renewal | 0.00 | 0.00 | 0.00 |
| 4140 · Certificates - Renewal Fees | 1,178,520.00 | 1,187,040.00 | -8,520.00 |
| 4150 · Certificates - Reinst/Revoked | 2,600.00 | 0.00 | 2,600.00 |
| 4151 · Certificates - Reinst/Surr | 5,400.00 | 11,458.37 | -6,058.37 |
| 4152 · Certificates - Reinst/Retired | 0.00 | 0.00 | 0.00 |
| 4160 · Certificates - Notification | 0.00 | 0.00 | 0.00 |
| 4161 · Certificate - Notification Rnw | 0.00 | 0.00 | 0.00 |
| Total Certificate Fees | 1,272,045.00 | 1,278,706.74 | -6,661.74 |
| Exam Fee Revenue | | | |
| 4001 · Initial Adm Fees | 209,300.00 | 182,370.87 | 26,929.13 |
| 4002 · Re-Exam Adm Fees | 140,925.00 | 141,625.00 | -700.00 |
| 4004 · Exam Fees Revenue | 959,198.17 | 916,666.63 | 42,531.54 |
| 4060 · Equivalency Exam Fees | 0.00 | 0.00 | 0.00 |
| 4070 · Transfer Exam Grade Credit | 150.00 | 0.00 | 150.00 |
| 4071 · Exam Review Fees | 900.00 | 0.00 | 900.00 |
| 4072 · Exam Scholarship Coupon | -25,895.16 | -37,803.37 | 11,908.21 |
| Total Exam Fee Revenue | 1,284,578.01 | 1,202,859.13 | 81,718.88 |
| Misc | | | |
| 4910 · Educational Program Fees | 24.00 | 0.00 | 24.00 |
| 4970 · Duplicate Certificates | 825.00 | 0.00 | 825.00 |
| 4980 · Copies | 0.00 | 0.00 | 0.00 |
| 4990 · Miscellaneous | 820.00 | 1,375.00 | -555.00 |
| Total Misc | 1,669.00 | 1,375.00 | 294.00 |
| Partnership Fees | | | |
| 4260 · Partnership Registration Fees | 90.00 | 0.00 | 90.00 |
| 4261 · Partnership Renewal Fees | 38,660.00 | 36,500.00 | 2,160.00 |
| Total Partnership Fees | 38,750.00 | 36,500.00 | 2,250.00 |
| Professional Corporation Fees | | | |
| 4250 · PC Registration Fees | 4,450.00 | 4,125.00 | 325.00 |
| 4251 · PC Renewal Fees | 37,425.00 | 34,500.00 | 2,925.00 |
| 4252 · PC Renewal Fees W/Penalties | 20.00 | 0.00 | 20.00 |
| Total Professional Corporation Fees | 41,895.00 | 38,625.00 | 3,270.00 |
| Total Income | 2,638,937.01 | 2,558,065.87 | 80,871.14 |
| Expense | | | |
| 6900 · Bad Debit Expense | 0.00 | 0.00 | 0.00 |
| 6690 · Over & Short | -0.99 | 0.00 | -0.99 |

NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April 2014 through February 2015

| | Apr '14 - Fe... | Budget | \$ Over Bu... |
|--|-------------------|-------------------|-------------------|
| Fringe Benefits | | | |
| 5031 · Retirement - NCLB Contribution | 50,528.09 | 49,791.50 | 736.59 |
| 5033 · Retirement - NCLB Administr | 1,232.96 | 1,333.34 | -100.38 |
| 5035 · Health Ins. Premiums | 101,443.97 | 126,500.00 | -25,056.03 |
| 5036 · Medical Reim Plan | 32,014.55 | 35,750.00 | -3,735.45 |
| 5038 · Unemployment Claims | 277.13 | 0.00 | 277.13 |
| Total Fringe Benefits | 185,496.70 | 213,374.84 | -27,878.14 |
| Board Travel | | | |
| 5120 · Board Travel - Board Meetings | 14,189.45 | 17,930.00 | -3,740.55 |
| 5121 · Board Travel - Prof Meetings | 156.80 | 0.00 | 156.80 |
| 5122 · Board Travel - NASBA Annual | 10,681.29 | 19,495.00 | -8,813.71 |
| 5123 · Board Travel - NASBA Regional | 7,096.96 | 8,075.00 | -978.04 |
| 5124 · Board Travel - NASBA Committees | 0.00 | 0.00 | 0.00 |
| 5125 · Board Travel - AICPA/NASBA | 0.00 | 500.00 | -500.00 |
| 5126 · Board Travel - NCACPA Annual | 0.00 | 0.00 | 0.00 |
| 5127 · Board Travel - NCACPA/Board | 824.95 | 0.00 | 824.95 |
| 5128 · Board Travel - AICPA Committees | 0.00 | 0.00 | 0.00 |
| 5129 · Miscellaneous Board Costs | 5,293.30 | 0.00 | 5,293.30 |
| 5133 · Board Travel - NASBA CPE | 0.00 | 0.00 | 0.00 |
| Total Board Travel | 38,242.75 | 46,000.00 | -7,757.25 |
| Building Expenses | | | |
| 5800 · Building Maintenance | 8,495.75 | 9,250.00 | -754.25 |
| 5801 · Electricity | 9,921.29 | 11,000.00 | -1,078.71 |
| 5802 · Grounds Maintenance | 1,690.51 | 5,500.00 | -3,809.49 |
| 5803 · Heat & Air Maintenance | 5,026.97 | 6,375.00 | -1,348.03 |
| 5804 · Improvements | 514.50 | 0.00 | 514.50 |
| 5805 · Insurance | 3,983.00 | 4,300.00 | -317.00 |
| 5807 · Janitorial Maintenance | 5,252.46 | 5,500.00 | -247.54 |
| 5808 · Pest Control Service | 125.00 | 200.00 | -75.00 |
| 5809 · Security & Fire Alarm | 2,199.41 | 2,500.00 | -300.59 |
| 5810 · Trash Collection | 779.66 | 0.00 | 779.66 |
| 5811 · Water & Sewer | 825.98 | 1,008.37 | -182.39 |
| Total Building Expenses | 38,814.53 | 45,633.37 | -6,818.84 |
| Continuing Education -Staff | | | |
| 5050 · Continuing Education - Staff | 2,707.00 | 5,525.50 | -2,818.50 |
| 5051 · Continuing Education - RNB | 60.00 | 0.00 | 60.00 |
| 5052 · Continuing Education - Computer | 0.00 | 0.00 | 0.00 |
| Total Continuing Education -Staff | 2,767.00 | 5,525.50 | -2,758.50 |
| Exam Postage | | | |
| 5531 · Exam Postage | 1,308.00 | 1,283.38 | 24.62 |
| Total Exam Postage | 1,308.00 | 1,283.38 | 24.62 |
| Exam Printing | | | |
| 5533 · Exam Printing | 0.00 | 0.00 | 0.00 |
| Total Exam Printing | 0.00 | 0.00 | 0.00 |

Statement of Revenues & Expense - Budget v. Actual

April 2014 through February 2015

| | Apr '14 - Fe... | Budget | \$ Over Bu... |
|--|-----------------|------------|---------------|
| Exam Sitting and Grading | | | |
| 5538 · Exam Vendor Expense | 879,903.99 | 847,916.63 | 31,987.36 |
| Total Exam Sitting and Grading | 879,903.99 | 847,916.63 | 31,987.36 |
| Exam Supplies | | | |
| 5532 · Exam Supplies | 0.00 | 0.00 | 0.00 |
| Total Exam Supplies | 0.00 | 0.00 | 0.00 |
| Exam Temporary Staff | | | |
| 5530-10 · Temp Employees - May | 0.00 | 0.00 | 0.00 |
| 5530-20 · Temp Employees - Nov | 0.00 | 0.00 | 0.00 |
| Total Exam Temporary Staff | 0.00 | 0.00 | 0.00 |
| Investigation & Hearing Costs | | | |
| 5220 · Investigator Fees | 0.00 | 0.00 | 0.00 |
| 5221 · Staff Investigation Costs | 200.00 | 0.00 | 200.00 |
| 5222 · Investigation Materials | 12,182.26 | 9,166.63 | 3,015.63 |
| 5230 · Hearing Costs | 2,871.83 | 4,583.37 | -1,711.54 |
| 5231 · Rule-Making Hearing Costs | 978.75 | 0.00 | 978.75 |
| 5232 · Legal Advertising | 0.00 | 0.00 | 0.00 |
| 5250 · Administrative Cost Assessed | -9,238.60 | -2,291.63 | -6,946.97 |
| 5260 · Civil Penalties Assessed | -67,400.00 | -6,875.00 | -60,525.00 |
| 5261 · Civil Penalties Remitted | 46,763.98 | 0.00 | 46,763.98 |
| Total Investigation & Hearing Costs | -13,641.78 | 4,583.37 | -18,225.15 |
| Legal Expense | | | |
| 5140 · Legal Counsel - Administrative | 24,065.42 | 22,000.00 | 2,065.42 |
| 5141 · Legal Counsel - Spec Projects | 0.00 | 0.00 | 0.00 |
| 5210 · Legal Counsel - Prof Standards | 0.00 | 11,000.00 | -11,000.00 |
| 5211 · Legal Counsel - Litigation | 11,773.95 | 2,500.00 | 9,273.95 |
| Total Legal Expense | 35,839.37 | 35,500.00 | 339.37 |
| Misc Personnel | | | |
| 5034 · Misc. Payroll Deduction | 0.00 | 1,375.00 | -1,375.00 |
| 5037 · HSA Deduction | 0.00 | 0.00 | 0.00 |
| 5090 · Flowers, Gifts, Etc. | 72.48 | 0.00 | 72.48 |
| 5091 · Staff Recruiting | 299.00 | 0.00 | 299.00 |
| 5092 · Misc. Personnel Costs | 2,450.32 | 2,750.00 | -299.68 |
| Total Misc Personnel | 2,821.80 | 4,125.00 | -1,303.20 |
| Office Expense | | | |
| 5301 · Equipment Rent | 467.15 | 1,200.00 | -732.85 |
| 5310 · Decorations | 252.52 | 175.00 | 77.52 |
| 5320 · Payroll Service | 1,838.51 | 1,741.63 | 96.88 |
| 5360 · Telephone | 6,932.26 | 6,416.63 | 515.63 |
| 5361 · Internet & Website | 3,628.90 | 3,766.63 | -137.73 |
| 5390 · Clipping Service | 2,786.22 | 4,125.00 | -1,338.78 |
| 5400 · Computer Prog/Assistance | 3,040.00 | 4,583.37 | -1,543.37 |
| 5405 · Computer Software Maintenance | 35,414.77 | 45,833.37 | -10,418.60 |
| 5410 · Dues | 8,050.00 | 8,200.00 | -150.00 |
| 5420 · Insurance | 14,773.00 | 11,900.00 | 2,873.00 |
| 5430 · Audit Fees | 8,475.00 | 8,475.00 | 0.00 |
| 5435 · Consulting Services | 0.00 | 916.63 | -916.63 |

NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April 2014 through February 2015

| | Apr '14 - Fe... | Budget | \$ Over Bu... |
|---|-------------------|-------------------|-------------------|
| 5440 · Misc Office Expense | 1,145.00 | 3,500.00 | -2,355.00 |
| 5445 · Banking Fees | 2,704.21 | 2,933.37 | -229.16 |
| 5450 · Credit Card Fees | 44,157.94 | 41,250.00 | 2,907.94 |
| Total Office Expense | 133,665.48 | 145,016.63 | -11,351.15 |
| Per Diem - Board | | | |
| 5110 · Per Diem - Board Meetings | 7,650.00 | 13,500.00 | -5,850.00 |
| 5111 · Per Diem - Prof Meetings | 200.00 | 3,666.63 | -3,466.63 |
| 5112 · Per Diem - NASBA Annual | 1,800.00 | 4,300.00 | -2,500.00 |
| 5113 · Per Diem - NASBA Regional | 1,350.00 | 2,000.00 | -650.00 |
| 5114 · Per Diem - NASBA Committees | 750.00 | 0.00 | 750.00 |
| 5115 · Per Diem - AICPA/NASBA | 0.00 | 0.00 | 0.00 |
| 5116 · Per Diem - NCACPA Annual | 0.00 | 0.00 | 0.00 |
| 5117 · Per Diem - NCACPA/Board | 800.00 | 500.00 | 300.00 |
| 5118 · Per Diem - AICPA Committees | 400.00 | 0.00 | 400.00 |
| 5119 · Per Diem - Miscellaneous | 100.00 | 500.00 | -400.00 |
| 5130 · Clerical Reimbursement | 0.00 | 0.00 | 0.00 |
| 5135 · Per Diem - NASBA CPE | 0.00 | 0.00 | 0.00 |
| Total Per Diem - Board | 13,050.00 | 24,466.63 | -11,416.63 |
| Postage | | | |
| 5345 · Postage - UPS | 11,300.00 | 5,000.00 | 6,300.00 |
| 5340 · Postage - Other | 6,745.02 | 13,291.63 | -6,546.61 |
| 5341 · Postage - Newsletter | 67,250.00 | 60,500.00 | 6,750.00 |
| 5342 · Postage - Business Reply | 1,635.00 | 2,291.63 | -656.63 |
| 5343 · Postage - Renewal | 1,962.00 | 1,833.37 | 128.63 |
| 5344 · Postage - Rulebook | 0.00 | 0.00 | 0.00 |
| Total Postage | 88,892.02 | 82,916.63 | 5,975.39 |
| Printing | | | |
| 5330 · Printing - Other | 7,290.31 | 6,416.63 | 873.68 |
| 5331 · Printing - Newsletter | 49,616.69 | 48,583.37 | 1,033.32 |
| 5332 · Printing - Special Projects | 0.00 | 0.00 | 0.00 |
| 5333 · Printing - Renewal | 0.00 | 0.00 | 0.00 |
| 5334 · Printing - Rulebook | 0.00 | 0.00 | 0.00 |
| 5335 · Mailing Label Printing | 0.00 | 0.00 | 0.00 |
| Total Printing | 56,907.00 | 55,000.00 | 1,907.00 |
| Repairs & Maintenance | | | |
| 5380 · Repairs - Misc. | 0.00 | 0.00 | 0.00 |
| 5381 · Maintenance - Copiers | 3,027.64 | 3,208.37 | -180.73 |
| 5382 · Maintenance - Computer | 333.99 | 2,727.12 | -2,393.13 |
| 5383 · Maintenance - Postage | 518.00 | 939.62 | -421.62 |
| Total Repairs & Maintenance | 3,879.63 | 6,875.11 | -2,995.48 |
| Salaries & Payroll Taxes | | | |
| 5040 · State Unemployment Tax | 2,562.90 | 2,550.13 | 12.77 |
| 5010 · Staff Salaries | 849,676.18 | 834,809.24 | 14,866.94 |
| 5020 · Part-Time Staff Salaries | 12,514.63 | 16,621.92 | -4,107.29 |
| 5021 · Temporary Contractors | 0.00 | 0.00 | 0.00 |
| 5030 · FICA Taxes | 62,751.73 | 64,765.25 | -2,013.52 |
| Total Salaries & Payroll Taxes | 927,505.44 | 918,746.54 | 8,758.90 |

NC Board of CPA Examiners
Statement of Revenues & Expense - Budget v. Actual
 April 2014 through February 2015

| | <u>Apr '14 - Fe...</u> | <u>Budget</u> | <u>\$ Over Bu...</u> |
|--|------------------------|---------------------|----------------------|
| Scholarships | | | |
| 5535 · Scholarship | 9,000.00 | 11,000.00 | -2,000.00 |
| Total Scholarships | 9,000.00 | 11,000.00 | -2,000.00 |
| Staff Travel | | | |
| 5060 · Staff Travel - Local | 833.55 | 2,337.50 | -1,503.95 |
| 5061 · Staff Travel - Prof Mtgs | 1,982.94 | 3,620.87 | -1,637.93 |
| 5062 · Staff Travel - NASBA CPE | 0.00 | 0.00 | 0.00 |
| 5063 · Staff Travel - NASBA Ethics | 0.00 | 0.00 | 0.00 |
| 5070 · Staff Travel - NASBA Annual | 6,081.92 | 8,355.00 | -2,273.08 |
| 5071 · Staff Travel - NASBA Regional | 4,795.37 | 5,304.00 | -508.63 |
| 5072 · Staff Travel - NASBA Administr | 8,360.80 | 22,194.00 | -13,833.20 |
| 5073 · Staff Travel - NASBA Committee | -24.96 | 0.00 | -24.96 |
| 5074 · Staff Travel - AICPA | 0.00 | 1,375.00 | -1,375.00 |
| 5075 · Staff Travel - NCACPA Annual | 30.72 | 0.00 | 30.72 |
| 5076 · Staff Travel - NCACPA/Board | 159.50 | 0.00 | 159.50 |
| 5077 · Staff Travel - Clear Conference | 1,186.57 | 0.00 | 1,186.57 |
| 5078 · Staff Travel - Vehicle | 5,234.51 | 5,500.00 | -265.49 |
| 5080 · Staff Travel - Univ Dialogue | 0.00 | 0.00 | 0.00 |
| Total Staff Travel | 28,640.92 | 48,686.37 | -20,045.45 |
| Subscriptions/References | | | |
| 5370 · Subscriptions/References | 4,349.15 | 1,833.37 | 2,515.78 |
| Total Subscriptions/References | 4,349.15 | 1,833.37 | 2,515.78 |
| Supplies | | | |
| 5350 · Supplies - Office | 8,738.99 | 4,125.00 | 4,613.99 |
| 5351 · Supplies - Copier | 1,576.20 | 2,520.87 | -944.67 |
| 5352 · Supplies - Computer | 1,059.00 | 2,750.00 | -1,691.00 |
| 5353 · Supplies - Special Projects | 0.00 | 0.00 | 0.00 |
| Total Supplies | 11,374.19 | 9,395.87 | 1,978.32 |
| 5920 · Funded Depreciation | 3,993.39 | 0.00 | 3,993.39 |
| 6999 · Uncategorized Expenses | 0.00 | 0.00 | 0.00 |
| 9999 · Suspense | 0.00 | 0.00 | 0.00 |
| Total Expense | <u>2,452,808.59</u> | <u>2,507,879.24</u> | <u>-55,070.65</u> |
| Net Ordinary Income | 186,128.42 | 50,186.63 | 135,941.79 |
| Other Income/Expense | | | |
| Other Income | | | |
| 8250 · Gift Card Revenue | 10,641.95 | 5,250.00 | 5,391.95 |
| Interest Income | | | |
| 8500 · Interest Income - MMAs | 1,752.34 | 0.00 | 1,752.34 |
| 8505 · Interest Income - BB&T BUS IDA | 0.00 | 0.00 | 0.00 |
| 8510 · Interest Income - CDs | 12,633.56 | 14,666.63 | -2,033.07 |
| 8520 · Interest Income - Prudential TB | 0.00 | 0.00 | 0.00 |
| 8530 · Interest Income - Wachovia MM | 0.00 | 0.00 | 0.00 |
| Total Interest Income | 14,385.90 | 14,666.63 | -280.73 |

03/04/15

NC Board of CPA Examiners

Statement of Revenues & Expense - Budget v. Actual

April 2014 through February 2015

| | <u>Apr '14 - Fe...</u> | <u>Budget</u> | <u>\$ Over Bu...</u> |
|-------------------------------------|--------------------------|-------------------------|--------------------------|
| 8200 · Rental Income | 29,413.65 | 29,466.25 | -52.60 |
| 8920 · Gain on Sale of Fixed Assets | 50.00 | 0.00 | 50.00 |
| 8921 · Loss on Sale of Fixed Assets | 0.00 | 0.00 | 0.00 |
| Total Other Income | 54,491.50 | 49,382.88 | 5,108.62 |
| Other Expense | | | |
| 7000 · Leasing Commission | 0.00 | 0.00 | 0.00 |
| Total Other Expense | 0.00 | 0.00 | 0.00 |
| Net Other Income | 54,491.50 | 49,382.88 | 5,108.62 |
| Change in Net Assets | <u>240,619.92</u> | <u>99,569.51</u> | <u>141,050.41</u> |

NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

| | Apr '14 - Fe... | Apr '13 - Fe... |
|---------------------------------------|---------------------|---------------------|
| Ordinary Income/Expense | | |
| Income | | |
| Certificate Fees | | |
| 4110 · Certificates - Initial | 56,825.00 | 51,900.00 |
| 4120 · Certificates - Reciprocal | 28,700.00 | 25,800.00 |
| 4140 · Certificates - Renewal Fees | 1,178,520.00 | 1,153,620.00 |
| 4150 · Certificates - Reinst/Revoked | 2,600.00 | 2,740.00 |
| 4151 · Certificates - Reinst/Surr | 5,400.00 | 7,200.00 |
| 4152 · Certificates - Reinst/Retired | 0.00 | 2,320.00 |
| Total Certificate Fees | 1,272,045.00 | 1,243,580.00 |
| Exam Fee Revenue | | |
| 4001 · Initial Adm Fees | 209,300.00 | 179,860.00 |
| 4002 · Re-Exam Adm Fees | 140,925.00 | 138,075.00 |
| 4004 · Exam Fees Revenue | 959,198.17 | 869,755.01 |
| 4070 · Transfer Exam Grade Credit | 150.00 | 0.00 |
| 4071 · Exam Review Fees | 900.00 | 1,900.00 |
| 4072 · Exam Scholarship Coupon | -25,895.16 | -16,227.92 |
| Total Exam Fee Revenue | 1,284,578.01 | 1,173,362.09 |
| Misc | | |
| 4910 · Educational Program Fees | 24.00 | 0.00 |
| 4970 · Duplicate Certificates | 825.00 | 900.00 |
| 4990 · Miscellaneous | 820.00 | 586.75 |
| Total Misc | 1,669.00 | 1,486.75 |
| Partnership Fees | | |
| 4260 · Partnership Registration Fees | 90.00 | 0.00 |
| 4261 · Partnership Renewal Fees | 38,660.00 | 38,730.00 |
| Total Partnership Fees | 38,750.00 | 38,730.00 |
| Professional Corporation Fees | | |
| 4250 · PC Registration Fees | 4,450.00 | 4,200.00 |
| 4251 · PC Renewal Fees | 37,425.00 | 34,425.00 |
| 4252 · PC Renewal Fees W/Penalties | 20.00 | 30.00 |
| Total Professional Corporation Fees | 41,895.00 | 38,655.00 |
| Total Income | 2,638,937.01 | 2,495,813.84 |
| Expense | | |
| 6690 · Over & Short | -0.99 | -2.07 |
| Fringe Benefits | | |
| 5031 · Retirement - NCLB Contribution | 50,528.09 | 50,622.95 |
| 5033 · Retirement - NCLB Administr | 1,232.96 | 990.17 |
| 5035 · Health Ins. Premiums | 101,443.97 | 99,064.19 |
| 5036 · Medical Reim Plan | 32,014.55 | 35,518.16 |
| 5038 · Unemployment Claims | 277.13 | 1,059.21 |
| Total Fringe Benefits | 185,496.70 | 187,254.68 |

NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

| | Apr '14 - Fe... | Apr '13 - Fe... |
|--|-----------------|-----------------|
| Board Travel | | |
| 5120 · Board Travel - Board Meetings | 14,189.45 | 14,932.24 |
| 5121 · Board Travel - Prof Meetings | 156.80 | 591.54 |
| 5122 · Board Travel - NASBA Annual | 10,681.29 | 11,657.29 |
| 5123 · Board Travel - NASBA Regional | 7,096.96 | 2,751.55 |
| 5127 · Board Travel - NCACPA/Board | 824.95 | 1,688.14 |
| 5129 · Miscellaneous Board Costs | 5,293.30 | 3,403.06 |
| Total Board Travel | 38,242.75 | 35,023.82 |
| Building Expenses | | |
| 5800 · Building Maintenance | 8,495.75 | 419.82 |
| 5801 · Electricity | 9,921.29 | 8,539.69 |
| 5802 · Grounds Maintenance | 1,690.51 | 3,533.00 |
| 5803 · Heat & Air Maintenance | 5,026.97 | 2,346.00 |
| 5804 · Improvements | 514.50 | 0.00 |
| 5805 · Insurance | 3,983.00 | 3,818.00 |
| 5807 · Janitorial Maintenance | 5,252.46 | 5,225.00 |
| 5808 · Pest Control Service | 125.00 | 0.00 |
| 5809 · Security & Fire Alarm | 2,199.41 | 2,024.03 |
| 5810 · Trash Collection | 779.66 | 301.17 |
| 5811 · Water & Sewer | 825.98 | 825.48 |
| Total Building Expenses | 38,814.53 | 27,032.19 |
| Continuing Education -Staff | | |
| 5050 · Continuing Education - Staff | 2,707.00 | 3,869.97 |
| 5051 · Continuing Education - RNB | 60.00 | 313.44 |
| Total Continuing Education -Staff | 2,767.00 | 4,183.41 |
| Exam Postage | | |
| 5531 · Exam Postage | 1,308.00 | 1,320.00 |
| Total Exam Postage | 1,308.00 | 1,320.00 |
| Exam Sitting and Grading | | |
| 5538 · Exam Vendor Expense | 879,903.99 | 776,176.26 |
| Total Exam Sitting and Grading | 879,903.99 | 776,176.26 |
| Investigation & Hearing Costs | | |
| 5221 · Staff Investigation Costs | 200.00 | 0.00 |
| 5222 · Investigation Materials | 12,182.26 | 10,366.19 |
| 5230 · Hearing Costs | 2,871.83 | 1,592.69 |
| 5231 · Rule-Making Hearing Costs | 978.75 | 299.35 |
| 5250 · Administrative Cost Assessed | -9,238.60 | -20,944.10 |
| 5260 · Civil Penalties Assessed | -67,400.00 | -37,000.00 |
| 5261 · Civil Penalties Remitted | 46,763.98 | 28,487.26 |
| Total Investigation & Hearing Costs | -13,641.78 | -17,198.61 |
| Legal Expense | | |
| 5140 · Legal Counsel - Administrative | 24,065.42 | 22,435.16 |
| 5210 · Legal Counsel - Prof Standards | 0.00 | 735.00 |
| 5211 · Legal Counsel - Litigation | 11,773.95 | 0.00 |
| Total Legal Expense | 35,839.37 | 23,170.16 |

NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

| | Apr '14 - Fe... | Apr '13 - Fe... |
|--------------------------------------|-----------------|-----------------|
| Misc Personnel | | |
| 5034 · Misc. Payroll Deduction | 0.00 | 0.00 |
| 5037 · HSA Deduction | 0.00 | 0.00 |
| 5090 · Flowers, Gifts, Etc. | 72.48 | 159.22 |
| 5091 · Staff Recruiting | 299.00 | 299.00 |
| 5092 · Misc. Personnel Costs | 2,450.32 | 4,092.53 |
| Total Misc Personnel | 2,821.80 | 4,550.75 |
| Office Expense | | |
| 5301 · Equipment Rent | 467.15 | 889.81 |
| 5310 · Decorations | 252.52 | 178.33 |
| 5320 · Payroll Service | 1,838.51 | 1,696.03 |
| 5360 · Telephone | 6,932.26 | 6,314.81 |
| 5361 · Internet & Website | 3,628.90 | 3,628.90 |
| 5390 · Clipping Service | 2,786.22 | 3,449.67 |
| 5400 · Computer Prog/Assistance | 3,040.00 | 2,829.99 |
| 5405 · Computer Software Maintenance | 35,414.77 | 42,042.72 |
| 5410 · Dues | 8,050.00 | 7,820.00 |
| 5420 · Insurance | 14,773.00 | 15,788.00 |
| 5430 · Audit Fees | 8,475.00 | 7,700.00 |
| 5440 · Misc Office Expense | 1,145.00 | 4,990.00 |
| 5445 · Banking Fees | 2,704.21 | 2,595.05 |
| 5450 · Credit Card Fees | 44,157.94 | 42,097.76 |
| Total Office Expense | 133,665.48 | 142,021.07 |
| Per Diem - Board | | |
| 5110 · Per Diem - Board Meetings | 7,650.00 | 9,350.00 |
| 5111 · Per Diem - Prof Meetings | 200.00 | 0.00 |
| 5112 · Per Diem - NASBA Annual | 1,800.00 | 2,500.00 |
| 5113 · Per Diem - NASBA Regional | 1,350.00 | 1,100.00 |
| 5114 · Per Diem - NASBA Committees | 750.00 | 1,000.00 |
| 5117 · Per Diem - NCACPA/Board | 800.00 | 200.00 |
| 5118 · Per Diem - AICPA Committees | 400.00 | 0.00 |
| 5119 · Per Diem - Miscellaneous | 100.00 | 0.00 |
| Total Per Diem - Board | 13,050.00 | 14,150.00 |
| Postage | | |
| 5345 · Postage - UPS | 11,300.00 | 8,746.84 |
| 5340 · Postage - Other | 6,745.02 | 7,392.81 |
| 5341 · Postage - Newsletter | 67,250.00 | 65,400.00 |
| 5342 · Postage - Business Reply | 1,635.00 | 2,775.00 |
| 5343 · Postage - Renewal | 1,962.00 | 1,980.00 |
| Total Postage | 88,892.02 | 86,294.65 |
| Printing | | |
| 5330 · Printing - Other | 7,290.31 | 7,182.74 |
| 5331 · Printing - Newsletter | 49,616.69 | 46,972.97 |
| Total Printing | 56,907.00 | 54,155.71 |

NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

| | Apr '14 - Fe... | Apr '13 - Fe... |
|---|-----------------|-----------------|
| Repairs & Maintenance | | |
| 5381 · Maintenance - Copiers | 3,027.64 | 2,803.35 |
| 5382 · Maintenance - Computer | 333.99 | 0.00 |
| 5383 · Maintenance - Postage | 518.00 | 550.00 |
| Total Repairs & Maintenance | 3,879.63 | 3,353.35 |
| Salaries & Payroll Taxes | | |
| 5040 · State Unemployment Tax | 2,562.90 | 1,763.30 |
| 5010 · Staff Salaries | 849,676.18 | 844,382.52 |
| 5020 · Part-Time Staff Salaries | 12,514.63 | 9,911.00 |
| 5021 · Temporary Contractors | 0.00 | 0.00 |
| 5030 · FICA Taxes | 62,751.73 | 63,011.88 |
| Total Salaries & Payroll Taxes | 927,505.44 | 919,068.70 |
| Scholarships | | |
| 5535 · Scholarship | 9,000.00 | 4,000.00 |
| Total Scholarships | 9,000.00 | 4,000.00 |
| Staff Travel | | |
| 5060 · Staff Travel - Local | 833.55 | 191.69 |
| 5061 · Staff Travel - Prof Mtgs | 1,982.94 | 676.86 |
| 5070 · Staff Travel - NASBA Annual | 6,081.92 | 6,778.10 |
| 5071 · Staff Travel - NASBA Regional | 4,795.37 | 5,448.86 |
| 5072 · Staff Travel - NASBA Administr | 8,360.80 | 4,874.00 |
| 5073 · Staff Travel - NASBA Committee | -24.96 | 261.40 |
| 5075 · Staff Travel - NCACPA Annual | 30.72 | 336.00 |
| 5076 · Staff Travel - NCACPA/Board | 159.50 | 42.00 |
| 5077 · Staff Travel - Clear Conference | 1,186.57 | 0.00 |
| 5078 · Staff Travel - Vehicle | 5,234.51 | 4,841.90 |
| Total Staff Travel | 28,640.92 | 23,450.81 |
| Subscriptions/References | | |
| 5370 · Subscriptions/References | 4,349.15 | 948.40 |
| Total Subscriptions/References | 4,349.15 | 948.40 |
| Supplies | | |
| 5350 · Supplies - Office | 8,738.99 | 4,150.95 |
| 5351 · Supplies - Copier | 1,576.20 | 2,731.00 |
| 5352 · Supplies - Computer | 1,059.00 | 1,486.95 |
| Total Supplies | 11,374.19 | 8,368.90 |
| 5920 · Funded Depreciation | 3,993.39 | 0.00 |
| 9999 · Suspense | 0.00 | 0.00 |
| Total Expense | 2,452,808.59 | 2,297,322.18 |
| Net Ordinary Income | 186,128.42 | 198,491.66 |
| Other Income/Expense | | |
| Other Income | | |
| 8250 · Gift Card Revenue | 10,641.95 | 7,700.00 |

NC Board of CPA Examiners
Statement of Revenues & Expenses
 Year-to-Date Comparison

| | Apr '14 - Fe... | Apr '13 - Fe... |
|-------------------------------------|-------------------|-------------------|
| Interest Income | | |
| 8500 · Interest Income - MMAs | 1,752.34 | 1,556.80 |
| 8510 · Interest Income - CDs | 12,633.56 | 16,336.63 |
| Total Interest Income | 14,385.90 | 17,893.43 |
| 8200 · Rental Income | 29,413.65 | 28,556.75 |
| 8920 · Gain on Sale of Fixed Assets | 50.00 | 285.00 |
| Total Other Income | 54,491.50 | 54,435.18 |
| Net Other Income | 54,491.50 | 54,435.18 |
| Change in Net Assets | <u>240,619.92</u> | <u>252,926.84</u> |

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H.B. 104
Feb 24, 2015
HOUSE PRINCIPAL CLERK

H

D

HOUSE DRH30019-ROZ-3 (12/10)

Short Title: Eliminate Audited Financial Statement Req. (Public)

Sponsors: Representatives J. Bell and Jordan (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO ELIMINATE THE REQUIREMENT THAT LICENSED MORTGAGE
LENDERS OBTAIN AN AUDITED FINANCIAL STATEMENT, AS RECOMMENDED
BY THE LEGISLATIVE RESEARCH COMMISSION STUDY COMMITTEE ON
BANKING LAW AMENDMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 53-244.104 reads as rewritten:

"§ 53-244.104. Minimum net worth requirements.

(a) A minimum net worth shall be continuously maintained for licensees in accordance with this section. In the event that the mortgage loan originator or transitional mortgage loan originator is an employee or exclusive agent of a person subject to this Article, the net worth of the person subject to this Article can be used in lieu of the mortgage loan originator's or transitional mortgage loan originator's minimum net worth requirement. The minimum net worth to be maintained for each license is as follows:

(1) If the licensee is a mortgage lender, it shall maintain a net worth of at least one hundred thousand dollars (\$100,000), including evidence of liquidity of one million dollars (\$1,000,000), which may include a warehouse line of credit of one million dollars (\$1,000,000) or other evidence of funding capacity to conduct mortgage originations as documented by ~~an unqualified audited statement~~ a certified public accountant's compilation of financial condition.

(2) If the licensee is a mortgage servicer, it shall maintain a net worth of at least one hundred thousand dollars (\$100,000), not including monies in any escrow accounts held for others.

(3) If the licensee is a mortgage broker, it shall maintain a net worth of at least twenty-five thousand dollars (\$25,000), including evidence of liquidity of ten thousand dollars (\$10,000), as certified by the licensee in a certified statement of financial condition.

(b) The Commissioner may adopt rules to require additional minimum net worth or otherwise amend net worth requirements as are necessary to ensure licensees maintain adequate financial responsibility and accomplish the purposes of this Article."

SECTION 2. This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H.B. 109
Feb 24, 2015
HOUSE PRINCIPAL CLERK

H

D

HOUSE DRH10051-MQ-22 (02/05)

Short Title: Lottery Act Clarified.

(Public)

Sponsors: Representatives Stam, Glazier, and Hardister (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO PROVIDE FOR HONESTY IN ADVERTISING AND MARKETING OF THE
NORTH CAROLINA STATE LOTTERY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18C-114(a)(2) reads as rewritten:

"§ 18C-114. Powers and duties of the Commission.

(a) The Commission shall have the following powers and duties:

...

(2) To prescribe the nature of lottery advertising which shall comply with the following:

- a. All advertising shall include resources for responsible ~~gaming~~ gambling information.
- b. No advertising may intentionally target specific groups or economic classes.
- c. No advertising may be misleading, deceptive, or present any lottery game as a means of relieving any person's financial or personal difficulties.
- d. No advertising may have the primary purpose of inducing persons to participate in the Lottery.
- e. Advertising that states the probability of winning a prize shall not omit the value of the lowest prize to be won.
- f. Advertising that states the odds of winning a prize must, at a minimum, disclose the odds of winning the prize with the largest value.
- g. No advertising or sponsorship may take place during or in connection with any high school or high school sporting event."

SECTION 2. G.S. 18C-115 reads as rewritten:

"§ 18C-115. Reports.

(a) Reports on Operation of the Commission. – The Commission shall send quarterly and annual reports on the operations of the Commission to the Governor, State Treasurer, and to the General Assembly. The reports shall include complete statements of lottery revenues, prize disbursements, expenses, net revenues, and all other financial transactions involving lottery funds, including the occurrence of any audit.

(b) Disclosure of Proceeds From Lottery Funding. – Each State department or agency receiving lottery funds shall use its established communications channels to inform the public about amounts received and activities supported by lottery proceeds."



SECTION 3. G.S. 18C-130 reads as rewritten:

"§ 18C-130. Types of lottery games; lottery games and lottery advertising; certain disclosures and information to be provided.

(a) ~~The Commission shall determine the types of lottery games that may be used in the Lottery. Games may include instant lotteries, online games, games played on computer terminals or other devices, and other games traditional to a lottery or that have been conducted by any other state government-operated lottery. Unless the General Assembly approves, the Commission may use only draw-style games and instant scratch-off games as types of lottery games.~~

(b) In lottery games using tickets, each ticket in a particular game shall have printed on it a unique number distinguishing it from every other ticket in that lottery game and an abbreviated form of the game-play rules, including resources for responsible ~~gaming~~ gambling information. In lottery games using tickets, ~~each no~~ ticket may have printed on it a depiction of one or more cartoon ~~characters, whose primary appeal is not to minors.~~ characters. In lottery games using tickets with preprinted winners, the overall estimated odds of winning prizes shall be printed on each ticket. No name or photograph of a current or former elected official shall appear on the tickets of any lottery game.

(c) In games using electronic computer terminals or other devices to play lottery games, no coins or currency shall be dispensed to players from those electronic computer terminals or devices.

(d) No games shall be based on the outcome of a particular sporting event or on the results of a series of sporting events.

(e) Lottery advertising shall be tastefully designed and presented in a manner to minimize the appeal of lottery games to minors. The use of cartoon characters or of false, misleading, or deceptive information in lottery advertising is prohibited. ~~All advertising promoting the sale of lottery tickets or shares for a particular game. Any Web site established or maintained by the Commission shall include the actual or estimated overall odds of winning the~~ each lottery game.

(f) The Commission shall make available on its Web site a detailed tabulation of the estimated number of prizes of each particular prize denomination that are expected to be awarded in each lottery game ~~or and the estimated odds of winning these prizes~~ each prize at the time that lottery game is offered for sale to the public.

(g) The Commission shall, in consultation with the Department of Health and Human Services, develop and provide information to the public about gambling addiction and treatment."

SECTION 4. G.S. 18C-132(a) reads as rewritten:

"(a) If a lottery game uses a daily or less frequent drawing of winning numbers, a drawing among entries including second chance drawings where the value of the prize is five thousand dollars (\$5,000) or more, or a drawing among finalists, all of the following conditions shall be met:

- (1) The drawings shall be open to the public.
- (2) The drawings shall be witnessed by an independent certified public accountant or by an auditor employed by a certified public accounting firm. No advertising of a North Carolina game shall refer to the role of the independent certified public accountant or auditor employed by a certified public accounting firm.
- (3) Any equipment used in the drawings shall be inspected by the independent certified public accountant or auditor employed by a certified public accounting firm and an employee of the Commission both before and after the drawings.
- (4) Audio and visual records of the drawings and inspections shall be made.

1 If a lottery game uses a drawing among entries for (i) a second chance drawing or (ii) any
2 other promotion conducted by the lottery, where the value of the prize is less than five thousand
3 dollars (\$5,000) in value, the requirements of subdivisions (2) and (3) of this subsection do not
4 apply."

5 **SECTION 5.** G.S. 18C-152(c) reads as rewritten:

6 "(c) For purposes of this subsection, the term "potential contractor" shall include the
7 potential contractor and each of the persons applicable under subsection (b) of this section. At a
8 minimum, the potential contractor required to disclose information for a thorough background
9 investigation under G.S. 18C-151 shall do all of the following:

- 10 (1) Disclose the potential contractor's name, phone number, and address.
- 11 (2) Disclose all the states and jurisdictions in which the potential contractor does
12 business and the nature of the business for each state or jurisdiction.
- 13 (3) Disclose all the states and jurisdictions in which the potential contractor has
14 contracts to supply gambling or gaming goods or services, including lottery
15 goods and services, and the nature of the goods or services involved for each
16 state or jurisdiction.
- 17 (4) Disclose all the states and jurisdictions in which the potential contractor has
18 applied for, has sought renewal of, has received, has been denied, has
19 pending, or has had revoked a ~~lottery-lottery, gambling, or gaming~~ license or
20 permit of any kind or had fines or penalties assessed on a license, permit,
21 contract, or operation and the disposition of such in each such state or
22 jurisdiction. If any ~~lottery-lottery, gambling, or gaming~~ license, permit, or
23 contract has been revoked or has not been renewed or any ~~lottery-lottery,~~
24 gambling, or gaming license, permit, or application has been either denied or
25 is pending and has remained pending for more than six months, all of the
26 facts and circumstances underlying the failure to receive that license shall be
27 disclosed.
- 28 (5) Disclose the details of any finding or plea, conviction, or adjudication of
29 guilt in a state or federal court of the potential contractor for any felony or
30 any other criminal offense other than a minor traffic violation.
- 31 (6) Disclose the details of any bankruptcy, insolvency, reorganization, or
32 corporate or individual purchase or takeover of another corporation,
33 including bonded indebtedness, or any pending litigation of the potential
34 contractor.
- 35 (7) If at least twenty-five percent (25%) of the cost of a potential contractor's
36 contract is subcontracted, the potential contractor shall disclose all of the
37 information required by this section for the subcontractor as if the
38 subcontractor were itself a potential contractor.
- 39 (8) Make any additional disclosures and information the Commission
40 determines to be appropriate for the contract involved."

41 **SECTION 6.** This act becomes effective July 1, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 2, 2015
S.B. 138
PRINCIPAL CLERK

S

D

SENATE DRS15052-MLf-11 (10/10)

Short Title: Professional Corporations/Engineers.

(Public)

Sponsors: Senators Tarte, Tucker, and Cook (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE FORMATION OF A PROFESSIONAL CORPORATION
3 PROVIDING ENGINEERING SERVICES IN ACCORDANCE WITH CHAPTER 89C
4 OF THE GENERAL STATUTES BY A NONLICENSED PERSON AND TO ALLOW A
5 NONLICENSED INCORPORATOR, OFFICER, DIRECTOR, OR EMPLOYEE OF A
6 PROFESSIONAL CORPORATION PROVIDING ENGINEERING SERVICES IN
7 ACCORDANCE WITH CHAPTER 89C OF THE GENERAL STATUTES TO OWN
8 SHARES OF THE STOCK OF THE CORPORATION.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. G.S. 55B-4 reads as rewritten:

11 "§ 55B-4. **Formation of corporation.**

12 (a) General. – A professional corporation under this Chapter may be formed pursuant to
13 the provisions of Chapter 55, the North Carolina Business Corporation Act, with the following
14 limitations: Act. In addition, and except as provided in subsection (b) of this section, the
15 following requirements shall apply when forming a professional corporation:

- 16 (1) At least one incorporator shall be a "licensee" as hereinabove defined in
17 G.S. 55B-2(2).
18 (2) All of the shares of stock of the corporation shall be owned and held by a
19 licensee, or licensees, as hereinabove defined in G.S. 55B-2(2), except as
20 otherwise permitted in G.S. 55B-6.
21 (3) At least one director and one officer shall be a "licensee" as hereinabove
22 defined in G.S. 55B-2(2).
23 (4) The articles of incorporation, in addition to the requirements of Chapter 55,
24 shall designate the personal services to be rendered by the professional
25 corporation and shall be accompanied by a certification by the appropriate
26 licensing board that the ownership of the shares of stock is in compliance
27 with the requirements of G.S. 55B-4(2) and G.S. 55B-6.

28 (b) Professional Engineers. – Except for the requirement that the articles of
29 incorporation designate the personal services to be rendered by the professional corporation, a
30 professional corporation rendering engineering services in accordance with Chapter 89C of the
31 General Statutes shall not be subject to the requirements listed in subdivisions (1) through (4)
32 of subsection (a) of this section."

33 SECTION 2. G.S. 55B-6 reads as rewritten:

34 "§ 55B-6. **Capital stock.**

35 (a) Except as provided in subsections ~~(a1)~~ and ~~(b)(a1)~~, (b), and (c) of this section, a
36 professional corporation may issue shares of its capital stock only to a licensee as defined in



1 G.S. 55B-2, and a shareholder may voluntarily transfer shares of stock issued to the shareholder
2 only to another licensee. No share or shares of any stock of a professional corporation shall be
3 transferred upon the books of the corporation unless the corporation has received a certification
4 of the appropriate licensing board that the transferee is a licensee. Provided, it shall be lawful in
5 the case of professional corporations rendering services as defined in Chapters 83A, 89A, 89C,
6 89E, and 89F, for nonlicensed employees of the corporation to own not more than one-third of
7 the total issued and outstanding shares of the corporation; and provided further, with respect to
8 a professional corporation rendering services as defined in Chapters 83A, 89A, 89C, and 89E
9 of the General Statutes, an employee retirement plan qualified under section 401 of the Internal
10 Revenue Code of 1986, as amended (or any successor section), is deemed for purposes of this
11 section to be a licensee if the trustee or trustees of the plan are licensees. Provided further,
12 subject to any additional conditions that the appropriate licensing board may by rule or order
13 impose in the public interest, it shall be lawful for individuals who are not licensees but who
14 perform professional services on behalf of a professional corporation in another jurisdiction in
15 which the corporation maintains an office, and who are duly licensed to perform professional
16 services under the laws of the other jurisdiction, to be shareholders of the corporation so long
17 as there is at least one shareholder who is a licensee as defined in G.S. 55B-2, and the
18 corporation renders its professional services in the State only through those shareholders that
19 are licensed in North Carolina. Upon the transfer of any shares of such corporation to a
20 nonlicensed employee of such corporation, the corporation shall inform the appropriate
21 licensing board of the name and address of the transferee and the number of shares issued to the
22 nonprofessional transferee. The issuance or transfer of any share of stock in violation of this
23 section is void. No shareholder of a professional corporation shall enter into a voting trust
24 agreement or any other type of agreement vesting in another person the authority to exercise
25 the voting power of any of the stock of a professional corporation.

26 ...

27 (c) Notwithstanding subsection (a) of this section, a nonlicensed incorporator, director,
28 officer, agent, or employee may own the stock of a professional corporation rendering
29 engineering services in accordance with Chapter 89C of the General Statutes as long as all
30 licensees who perform professional services on behalf of the corporation comply with Chapter
31 89C and the rules adopted thereunder. Upon the transfer of any shares of such corporation to a
32 nonlicensed incorporator, director, officer, or employee, the corporation shall inform the
33 appropriate licensing board of the name and address of the transferee and the number of shares
34 issued to the nonprofessional transferee. No shareholder of a professional corporation subject to
35 this subsection shall enter into a voting trust agreement or any other type of agreement vesting
36 in another person the authority to exercise the voting power of any of the stock of the
37 professional corporation."

38 **SECTION 3.** G.S. 55B-14(a) reads as rewritten:

39 "(a) A professional corporation shall render only one specific type of professional
40 service, and such services as may be ancillary thereto, and shall not engage in any other
41 business or profession; provided, however, such corporation may own real and personal
42 property necessary or appropriate for rendering the type of professional services it was
43 organized to render and it may invest in real estate, mortgages, stocks, bonds, and any other
44 type of investments."

45 **SECTION 4.** G.S. 55B-16(a) reads as rewritten:

46 "(a) A foreign professional corporation may apply for a certificate of authority to
47 transact business in this State pursuant to the provisions of this Chapter and Chapter 55 of the
48 General Statutes provided ~~that that~~ all of the following requirements are met:

49 (1) The corporation obtains a certificate of registration from the appropriate
50 licensing board or boards in this ~~State~~ State.

- 1 (2) With respect to each professional service practiced through the corporation
2 in this State, at least one director and one officer shall be a licensee of the
3 licensing board which regulates the profession in this ~~State~~;State. This
4 subdivision shall not apply to a corporation who will provide engineering
5 services in accordance with Chapter 89C of the General Statutes.
6 (3) Each officer, employee, and agent of the corporation who will provide
7 professional services to persons in this State shall be a licensee of the
8 appropriate licensing board in this ~~State~~;State.
9 (4) The corporation shall be subject to the applicable rules and regulations
10 adopted by, and all the disciplinary powers of, the appropriate licensing
11 board or boards in this ~~State~~;State.
12 (5) The corporation's activities in this State shall be limited as provided by
13 ~~G.S. 55B-14; and~~G.S. 55B-14.
14 (6) The application for certificate of authority, in addition to the requirements of
15 G.S. 55-15-03, shall set forth the personal services to be rendered by the
16 foreign professional corporation and the individual or individuals who will
17 satisfy the requirements of G.S. 55B-16(a)(2) and shall be accompanied by a
18 certification by the appropriate licensing board that each individual is a
19 "licensee" as defined in G.S. 55B-2(2) and by additional certifications as
20 may be required to establish that the corporation is a "foreign professional
21 corporation" as defined in G.S. 55B-16(b)."

22 **SECTION 5.** This act becomes effective July 1, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Feb 25, 2015
S.B. 118
PRINCIPAL CLERK

S

D

SENATE DRS15018-MGfqg-4 (11/10)

Short Title: Naturopathic Doctors Licensing Act. (Public)

Sponsors: Senator Bingham (Primary Sponsor).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH LICENSURE AND EDUCATION STANDARDS FOR THE
PRACTICE OF NATUROPATHIC MEDICINE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 90 of the General Statutes is amended by adding a new
Article to read:

"Article 43.

"Naturopathic Doctors.

"§ 90-730. Short title.

This Article may be cited as the "North Carolina Naturopathic Doctors Licensure Act."

"§ 90-731. Intent; purpose.

(a) Intent. – The General Assembly finds that a significant number of residents of the State of North Carolina choose complementary and alternative health care and declares that naturopathic treatment is a distinct health care profession that affects the public health, safety, and welfare and provides for choices in health care. The General Assembly concludes that licensure is in the current interest of North Carolina citizens to aid in protecting citizens from deception, fraud, and damage to their health status. Licensure can provide a process in which citizens may more confidently rely on the level of skill, education, and competency possessed by licensed persons.

(b) Purpose. – The purpose of this Article is to provide standards for the licensure of naturopathic doctors desiring to practice naturopathic medicine in this State and to ensure the maintenance of professional competence and acceptable standards of practice.

"§ 90-732. Definitions.

The following definitions apply in this Article:

(1) Approved program of naturopathic medicine. – A program that meets all of the following conditions:

- a. A program that provides graduate-level, full-time study in naturopathy that is accredited, or has achieved candidacy status for accreditation, by the Council on Naturopathic Medical Education, or a federally recognized successor accrediting body.
- b. A program that is offered by an institution of higher education that is accredited by a regional or national institutional accrediting body recognized by the United States Secretary of Education.
- c. If the program is offered in the United States, a program that awards the degree of Doctor of Naturopathy or Doctor of Naturopathic Medicine. If the program is offered in Canada, a program that awards



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the degree or diploma of Doctor of Naturopathy or Doctor of Naturopathic Medicine and is offered by an institution of higher education that has provincial approval for participation in government-funded student aid programs.

d. A program that has been approved by the North Carolina Naturopathic Doctors Licensing Board to meet the standards established by its rules.

(2) Board. – The North Carolina Naturopathic Doctors Licensing Board.

(3) Criminal history. – A history of conviction, or of having pled guilty or no contest to a State or federal crime, whether a misdemeanor or felony.

(4) Integrative medicine. – As defined in G.S. 90-1.1.

(5) Natural medicines. – Any herbal, nutritional, supplemental, homeopathic, or other nonprescription remedies.

(6) Naturopathic doctor. – A person licensed to practice naturopathic medicine under this Article.

(7) Naturopathic medicine. – A system of natural health care that employs diagnosis and treatment using natural therapies and diagnostic techniques for the promotion, maintenance, and restoration of health and the prevention of disease, including all of the following:

a. The administration or provision of any of the following for preventive and therapeutic purposes: natural medicines, natural therapies, natural topical medicines, hydrotherapy, dietary therapy, and naturopathic physical medicine.

b. The use of diagnostic procedures, including physical and orificial examination, but excluding endoscopy, sigmoidoscopy, and colonoscopy.

c. The ordering and interpretation of laboratory tests and diagnostic imaging, but excluding electrocardiograms, echocardiograms, electroencephalograms, nuclear imagings, MRIs, CT scans, and other tests that should be conducted and interpreted by a physician licensed under Article 1 of this Chapter.

(8) Naturopathic physical medicine. – The manual use of massage, stretching, or resistance.

"§ 90-733. Practice of naturopathic medicine; scope of practice.

(a) Practice of Naturopathic Medicine. – A naturopathic doctor is a licensed health care provider having the same responsibilities as other licensed doctors regarding public health laws, reportable diseases and conditions, communicable disease control and prevention, and the recording of vital statistics. In diagnosing and treating an individual, a naturopathic doctor may employ the following therapies, modalities, procedures, or remedies consistent with naturopathic education and training:

(1) Dispense, administer, and advise the use of natural remedies derived from or substantially similar in molecular structure or function to natural sources for preventive and therapeutic purposes, including food, extracts of food, nutraceuticals, vitamins, minerals, enzymes, botanicals and their extracts, homeopathic remedies prepared according to the Homeopathic Pharmacopoeia of the United States, and all dietary supplements and nonprescription drugs as defined by the federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301, et seq.

(2) Order and perform physical examinations.

(3) Order, perform, and interpret laboratory examinations and diagnostic imaging studies.

- (4) Perform hot or cold hydrotherapy, naturopathic physical treatment, electromagnetic therapy, and therapeutic exercise.
- (5) Perform health education and health counseling.
- (6) Utilize routes of administration for substances, including oral, nasal, auricular, ocular, rectal, vaginal, and transdermal.
- (7) Perform care incidental to superficial lacerations and abrasions, including the application of topical and local anesthetics and antimicrobials.
- (8) Remove foreign bodies located in the superficial tissues.
- (b) Prohibitions. – A naturopathic doctor may not perform any of the following functions unless otherwise licensed by this State to do so:
- (1) Prescribe, dispense, or administer any legend drug, except as authorized by this Article.
- (2) Practice or attempt to practice as a medical physician, osteopath, acupuncturist, dentist, podiatrist, optometrist, chiropractor, dietitian or nutritionist, psychologist, advanced practice registered nurse, physician assistant, physical therapist, or any other health care professional not authorized by this Article.
- (3) Use general or spinal anesthetics.
- (4) Perform procedures using a laser device.
- (5) Perform surgical procedures.
- (6) Administer ionizing radioactive substances for therapeutic purposes.
- (7) Perform chiropractic adjustments.
- (8) Perform acupuncture.
- § 90-734. License required; exemptions.**
- (a) License Required. – No person shall practice, attempt to practice, or claim to practice naturopathic medicine unless the person has been licensed under the provisions of this Article.
- (b) Only persons licensed under this Article may use the titles "Naturopathic Doctor," "Doctor of Naturopathic Medicine," "Doctor of Naturopathy," "Naturopathic Medicine," "Naturopath," or the abbreviations "D.N.," "N.D.," "ND," and "D.N.M."
- (c) Exemptions. – Nothing in this Article shall be construed to prohibit or affect any of the following:
- (1) The practice of a profession by an individual who is licensed, certified, or registered under other laws of this State and is performing services within the authorized scope of practice.
- (2) The practice of naturopathic medicine by a person employed by the federal government while the person is engaged in the performance of duties prescribed by laws and regulations of the United States.
- (3) A person rendering aid in an emergency situation when no fee or other compensation for the service is received.
- (4) The practice of naturopathic medicine by a naturopathic doctor duly licensed in another state, territory, or the District of Columbia when called into this State to consult with a licensed physician for a period not to exceed six months.
- (5) The practice of naturopathic medicine by students completing a clinical requirement for graduation from a naturopathic training program approved by the Board, so long as the practice is performed under the supervision of a physician licensed under Article 1 of this Chapter and the clinical requirement does not exceed one year.
- (6) A person who does not hold himself or herself out to be a naturopathic doctor when furnishing information to customers or selling, administering,

or utilizing nutritional supplements, herbs, food, homeopathic preparations, and such physical forces as heat, cold, water, touch, and light at the person's retail, health spa, or health consulting establishment.

(d) Unlawful Act. – A person who violates this section is guilty of a Class 1 misdemeanor. The Board may make application to superior court for an order enjoining a violation of this section. Upon a showing by the Board that a person has violated or is about to violate this section, the court may grant an injunction, restraining order, or take other appropriate action.

"§ 90-735. North Carolina Naturopathic Doctors Licensing Board.

(a) Board. – The North Carolina Naturopathic Doctors Licensing Board is created. The Board consists of seven members serving for staggered terms. The initial Board members shall be appointed on or before January 1, 2016, as follows:

(1) The General Assembly, upon the recommendation of the President Pro Tempore of the Senate, shall appoint two naturopathic doctors who are licensed under this Article. One member shall serve a term of one year, and one member shall serve a term of three years.

(2) The General Assembly, upon the recommendation of the Speaker of the House of Representatives, shall appoint two naturopathic doctors who are licensed under this Article. One member shall serve a term of one year, and one member shall serve a term of two years.

(3) The Governor shall appoint two physicians licensed under Article 1 of Chapter 90 of the General Statutes, at least one of whom shall be involved in the practice of integrative medicine or who teaches integrative medicine at a medical school. Both of these members shall serve a term of three years.

(4) The Governor shall appoint for a two-year term a public member who is not a licensed health care professional and is not employed in a health care profession.

Upon the expiration of the terms of the initial Board members, each subsequent member shall be appointed for a term of three years. The term of a member shall begin on January 1 of each year. A member shall serve until the member's successor is appointed. No member shall serve on the Board for more than two consecutive terms.

(b) Vacancies. – A vacancy shall be filled in the same manner as the original appointment. An appointee to fill a vacancy shall serve the remainder of the unexpired term and until the appointee's successor has been duly appointed.

(c) Removal. – The Board may remove any of its members for neglect of duty, incompetence, or unprofessional conduct. A member subject to disciplinary proceedings as a licensee shall be disqualified from participating in the official business of the Board until the charges have been resolved.

(d) General Administration. – A Board member may not receive compensation but may receive reimbursement as provided in G.S. 93B-5. The officers of the Board include a chair, a secretary, and any other officer deemed necessary by the Board to carry out the purposes of this Article. All officers shall be elected annually by the Board at its first meeting held after appointments to the Board are made. The Board shall hold a meeting within 45 days of the appointment of new Board members. All officers shall serve one-year terms and shall serve until their successors are elected and qualified. No person shall chair the Board for more than five consecutive years. The Board may adopt rules governing the calling, holding, and conducting of regular and special meetings. A majority of Board members constitutes a quorum.

"§ 90-736. Powers of the Board.

The Board shall have the following powers and duties:

(1) Administer and enforce the provisions of this Article.

- 1 (2) Adopt, amend, or repeal rules in the manner prescribed under Chapter 150B
2 of the General Statutes, as may be necessary to carry out the provisions of
3 this Article.
- 4 (3) Establish, examine, and determine the qualifications and fitness of applicants
5 for licensure and renewal of licensure.
- 6 (4) Issue, renew, deny, suspend, or revoke licenses and conduct any disciplinary
7 actions authorized by this Article.
- 8 (5) Collect fees for licensure, licensure renewal, and other services deemed
9 necessary to carry out the provisions of this Article.
- 10 (6) Establish and approve continuing education requirements for persons
11 licensed under this Article.
- 12 (7) Employ and fix the compensation of personnel that the Board determines is
13 necessary to carry out the provisions of this Article and incur other expenses
14 necessary to perform the duties of the Board.
- 15 (8) Adopt a seal containing the name of the Board for use on all licenses and
16 official reports issued by the Board.
- 17 (9) Institute corrective measures, as necessary, to rehabilitate naturopathic
18 doctors or limit their practice.
- 19 (10) Investigate persons engaging in practices which violate the provisions of this
20 Article.

21 **"§ 90-737. Qualifications for licensure; renewal; reinstatement.**

22 (a) Licensure. – Upon application to the Board and payment of the required fees, an
23 applicant may be licensed under this Article as a naturopathic doctor if the applicant meets all
24 of the following qualifications and conditions:

- 25 (1) Is of good moral and ethical character.
- 26 (2) Is a graduate of a program of naturopathic medicine, approved by the Board.
- 27 (3) Meets one, or both, of the following two conditions:
 - 28 a. Has successfully passed a competency-based national naturopathic
29 licensing examination administered by the North American Board of
30 Naturopathic Examiners or equivalent agency as recognized by the
31 Board.
 - 32 b. Has successfully passed a competency-based examination approved
33 by the Board and by the North American Board of Naturopathic
34 Medical Education or its successor agency.
- 35 (4) Provides the Board with a list of physicians licensed to practice medicine in
36 this State who have agreed to work with the applicant and accept referrals
37 from the applicant. The applicant shall also provide the Board with letters of
38 verification from the listed physicians. The list shall include physicians with
39 specialties in at least four of the following areas: allergy and immunology,
40 cancer and oncology, cardiology, endocrinology and metabolism, family
41 medicine, gastroenterology, internal medicine, obstetrics and gynecology,
42 pediatrics, psychiatry, and urology.
- 43 (5) Submits any other documentation the Board deems necessary to determine
44 the applicant's fitness for licensure under this Article. This documentation
45 may include successful completion of a Board-approved examination on
46 State laws and rules related to naturopathic medicine.

47 (b) Renewal. – A license expires two years after the date it is issued unless it is
48 renewed. To renew a license, a licensee shall meet all of the following conditions:

- 49 (1) Submit an application for license renewal.
- 50 (2) Pay the required fees.

- (3) Complete at least 40 hours of continuing education approved by the Board within a two-year period.

Failure to renew a license within six months of the date the license expires shall result in automatic forfeiture of the right to practice naturopathic medicine in this State until the license is reinstated.

(c) Reinstatement. – A licensed naturopathic doctor who has allowed the license to lapse by failure to renew within the time allowed under subsection (b) of this section may apply for reinstatement. The Board may reinstate the applicant's license if the applicant pays the required fees, furnishes a statement of the reason for failure to apply for renewal before the deadline, and complies with any other requirements established in rules adopted by the Board. If the license has lapsed for five years or longer, the Board may require the applicant to satisfactorily complete one or more skills assessment or remediation courses approved by the Board or to provide proof of active licensure within the past five years in another jurisdiction.

"§ 90-738. Reciprocity.

The Board may grant, upon application and payment of fees, a license to a person who resides in this State and has been licensed to practice as a naturopathic doctor in another state or a Canadian province if both of the following conditions are met:

- (1) The standards for licensure in the state or province in which the naturopathic doctor is licensed are substantially equivalent to those provided in this Article.
- (2) The applicant provides proof of licensure in good standing in all states and provinces in which the applicant has been licensed.

"§ 90-739. Fees.

The Board may impose the following fees:

- | | | |
|-----|--|-----------------|
| (1) | <u>Application and examination</u> | <u>\$200.00</u> |
| (2) | <u>License</u> | <u>\$600.00</u> |
| (3) | <u>License renewal</u> | <u>\$400.00</u> |
| (4) | <u>Late renewal</u> | <u>\$200.00</u> |
| (5) | <u>Reinstatement</u> | <u>\$1,000</u> |
| (6) | <u>Reasonable charges for duplication services and material.</u> | |
| (7) | <u>Criminal history record check fee equal to the amount imposed by the Department of Justice to conduct the criminal history record check requested by the Board.</u> | |

"§ 90-740. Disciplinary authority.

(a) Authority. – The Board may impose probationary conditions upon a licensee, or it may deny, suspend, revoke, or refuse to issue or renew a license if the licensee or applicant does any of the following:

- (1) Engages in any act or practice in violation of any of the provisions of this Article or of any of the rules adopted by the Board or aids, abets, or assists any other person in the violation of the provisions of this Article or rules adopted by the Board.
- (2) Gives false information to or withholds information from the Board in procuring or attempting to procure a license.
- (3) Has been convicted of or pled guilty or no contest to a crime that indicates that the person is unfit or incompetent to practice as a naturopathic doctor or that indicates the person has deceived or defrauded the public. A felony conviction shall result in the automatic revocation of a license issued by the Board unless the Board determines otherwise pursuant to rules adopted by the Board.
- (4) Has been declared mentally incompetent by a court of competent jurisdiction.

- (5) Habitually uses or is addicted to drugs or intoxicating liquors to the extent that it affects the licensee's professional competency. If a licensee violates this subdivision, the Board may require the licensee to undergo a mental or physical examination by physicians designated by the Board before or after the licensee has been charged. The results of the examination shall be admissible as evidence in a hearing before the Board.
- (6) Has demonstrated gross negligence, incompetency, or misconduct in the performance of naturopathic medical treatment.
- (7) Has had a health care provider license denied, restricted, revoked, or suspended by another state or jurisdiction.
- (8) Fails to consent to a criminal history record check.
- (9) Fails to respond, within a reasonable time, to inquiries from the Board concerning any matter affecting the individual's license to practice naturopathic medicine.
- (10) Fails to complete continuing education requirements within the time prescribed.

(b) Hearing. – Denial, refusal to renew, suspension, or revocation of a license or imposition of probationary conditions upon a licensee may be ordered by the Board after a hearing held in accordance with Article 3A of Chapter 150B of the General Statutes and rules adopted pursuant to this Article. An application may be made to the Board for reinstatement of a revoked license if the revocation has been in effect for not less than two years.

(c) Records. – The Board shall keep a record of its proceedings. The Board shall, in a closed session, receive evidence regarding the treatment or examination of a patient who has not expressly or impliedly consented to the public disclosure of the treatment when necessary for the protection of the rights of the patient or of the accused naturopathic doctor and the full presentation of relevant evidence. All records, papers, investigative files, investigative reports, and other documents containing information gathered or received by the Board as a result of investigations, inquiries, or interviews conducted in connection with an application for licensure, a complaint, or a disciplinary matter are not considered public documents within the meaning of Chapter 132 of the General Statutes. If a record, paper, or other document containing information collected and compiled by the Board is admitted into evidence in a hearing held by the Board, it shall then be a public record within the meaning of Chapter 132 of the General Statutes.

(d) Confidential Information. – The Board may release confidential or nonpublic information about a licensee to any health care licensure board in this State or another state relating to the issuance, denial, suspension, revocation, or voluntary surrender of the license, including the reasons for the action or any investigative report prepared by the Board. The Board shall notify the naturopathic doctor within 60 days after the information is released. The Board shall furnish to the naturopathic doctor a summary of the information being released. However, if the naturopathic doctor requests, in writing, within 30 days from the date of notice, a copy of the information being released, the Board shall give to the naturopathic doctor a copy of all the information being released. Notice or copies shall not be provided by the Board if the information relates to an ongoing criminal investigation by a law enforcement agency or any Department of Health and Human Services personnel with enforcement or investigative responsibilities.

"§ 90-741. Criminal history record check of applicants and licensees.

(a) Criminal History Record Check. – The Board shall require a criminal history record check for a person who is either licensed under this Article or applying for licensure under this Article. The Board is responsible for providing to the North Carolina Department of Justice the fingerprints of the person to be checked, a form signed by the person consenting to the criminal record check and the use of fingerprints and other identifying information required by the State

or national repositories, and any additional information required by the Department of Justice. The Board shall keep all information obtained pursuant to this section confidential.

(b) Conviction. – If a criminal history record check reveals one or more convictions, the conviction does not automatically bar licensure. The Board shall consider all of the following factors regarding the conviction:

(1) The level of seriousness of the crime.

(2) The date of the crime.

(3) The age of the person at the time of the conviction.

(4) The circumstances surrounding the commission of the crime, if known.

(5) The nexus between the criminal conduct of the person and the job duties of the position to be filled.

(6) The person's prison, jail, probation, parole, rehabilitation, and employment records since the date the crime was committed.

(7) The subsequent commission of a crime by the person.

(c) Denial of Licensure. – If the Board denies, revokes, or suspends a license based on information obtained in a criminal history record check, the Board shall disclose to the person the information contained in the criminal history record check that is relevant to the Board's actions. The Board may not provide a copy of the criminal history record check to the person. A person has the right to appear before the Board to appeal the Board's decision. An appearance before the Board shall constitute an exhaustion of administrative remedies in accordance with Chapter 150B of the General Statutes.

"§ 90-742. Reports; immunity from suit.

(a) Report. – A person who has reasonable cause to suspect misconduct or incapacity of a licensee, or who has reasonable cause to suspect that a person is in violation of this Article, may report the relevant facts to the Board. Upon receipt of a charge, or upon its own initiative, the Board may give notice of an administrative hearing or may, after diligent investigation, dismiss unfounded charges. A person who, in good faith, makes a report pursuant to this section is immune from any criminal prosecution or civil liability resulting from making the report.

(b) Limited Immunity. – The Board, its officers, employees, and staff are immune from any criminal prosecution or civil liability for exercising, in good faith, the powers and duties given to the Board under this Article.

"§ 90-743. Third-party reimbursement.

Nothing in this Article shall be construed to require direct third-party reimbursement to persons licensed under this Article.

"§ 90-744. Advisory Council.

(a) Created. – An Advisory Council is created to advise the Board and to develop recommendations to foster coordination and collaboration between naturopathic doctors, medical doctors, and other health professionals for the purpose of providing appropriate care for patients. The Council shall meet periodically and report its recommendations to the Board and to the boards of directors for the North Carolina Medical Society and the North Carolina Association of Naturopathic Physicians.

(b) Membership. – The Advisory Council shall consist of the following six members:

(1) Two licensed physicians appointed by the North Carolina Medical Society.

(2) Two licensed naturopathic doctors appointed by the North Carolina Association of Naturopathic Physicians.

(3) One licensed pharmacist or pharmacologist appointed by the North Carolina Association of Pharmacists.

(4) One licensed advanced practice registered nurse appointed by the North Carolina Nursing Association.

(c) General Administration. – Each member is appointed for a term of two years beginning July 1, 2016. A member serves until a successor is appointed. The members of the Advisory Council may elect a chairperson by a majority vote. Advisory Council members may not receive compensation for their services but may receive reimbursement as provided in G.S. 93B-5."

SECTION 2. G.S. 90-18(c) is amended by adding a new subdivision to read:

"(c) The following shall not constitute practicing medicine or surgery as defined in this Article:

...

(21) The practice of naturopathic medicine by a licensed naturopathic doctor under the provisions of Article 43 of this Chapter."

SECTION 3. Part 2 of Article 4 of Chapter 114 of the General Statutes is amended by adding a new section to read:

"§ 114-19.33A. Criminal history record checks for naturopathic doctors.

(a) The Department of Justice shall provide to the North Carolina Naturopathic Doctors Licensing Board from the State and National Repositories of Criminal Histories the criminal history of an applicant for licensure by the Board or a licensee of the Board. The North Carolina Naturopathic Doctors Licensing Board shall provide to the Department of Justice, along with the request, the fingerprints of the applicant or licensee, a form signed by the applicant or licensee consenting to the criminal history record check and use of fingerprints and other identifying information required by the State and national repositories, and any additional information required by the Department of Justice. The fingerprints of the applicant or licensee shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of fingerprints to the Federal Bureau of Investigation for a national criminal history record check. The North Carolina Naturopathic Doctors Licensing Board shall keep all information obtained pursuant to this section confidential.

(b) The Department of Justice may charge a fee to offset the cost incurred by it to conduct a criminal history record check under this section. The fee shall not exceed the actual cost of locating, editing, researching, and retrieving the information."

SECTION 4. Notwithstanding the provisions of G.S. 90-735, as enacted by Section 1 of this act, the initial naturopathic doctors appointed to the North Carolina Naturopathic Doctors Licensing Board must be North Carolina residents, must be licensed as a naturopathic doctor in a state that licenses this profession, and must be eligible for licensure under G.S. 90-737, as enacted by Section 1 of this act. Upon appointment, the appointee must immediately seek to become licensed under this act.

SECTION 5. This act is effective when it becomes law.